Marketing of Bumper Crop is Big National Problem

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

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CANADIAN MINING NEWS DEPARTMENT ON PAGE 14

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The Nation's Business

Every Taxpayer Should Study Kidd Report

Federal Wheat Guarantees Not Solution to Wheat Problem

Will B. C. Lead the Way to Sane Government?

BRITISH COLUMBIA should be deeply indebted to the committee of leading citizens which has presented such a frank and constructive analysis of the financial plight in which that province finds itself. Whatever action may be taken by the province's elected representatives—and we hope action will be both speedy and far-reaching—at least citizens and taxpayers have now a vivid though dismal picture of just how far political extravagance has led them from the straight and narrow path of well-ordered, economical government.

And there is a lesson in the report of the Kidd committee, for every taxpayer and for every official of governing bodies throughout Canada, whether municipal, provincial or federal. The lesson is plainly shown by the primary recommendation of the committee, namely, that $6,000,000, or more than one-fifth of budgeted expenditure in the last fiscal year, can and must be eliminated. Just think what a similar retrenchment in every municipality, province and governing body in Canada would mean during 1933 to the taxpayers of this Dominion.

* * *

FURTHERMORE, The Financial Post notes with considerable interest that one-third of this total saving, or $2,000,000, is to be lopped from educational costs. This is one of the most vulnerable spots in the whole fabric of governmental costs in Canada today and the costly excesses which have grown up in this realm in the past decade have been repeatedly exposed by numerous articles published in this paper in recent months. The ways in which this $2,000,000 is to be saved, according to the Kidd committee report, should be studied by every taxpayer, educationalist and politician in the Dominion.

There is little doubt but that a strong coalition government will be necessary if the Kidd report is to be implemented and governmental excesses which have developed largely as a result of political patronage and extravagance are to be swept out of the province. If the citizens and taxpayers rise to the occasion it will be an example which can and may well be followed by the majority of governmental bodies in the Dominion. There is perhaps no single factor which can so readily restore permanent prosperity in Canada than a whole-hearted attempt to remove the millstone of rising governmental costs that hangs so heavily about our necks.

* * *

Federal Wheat Guarantees Cannot Last Indefinitely

THE Dominion Government has found it necessary, or rather perhaps has thought it advisable, to renew guarantees to the banks for advances to be made to the wheat pools of Manitoba, Saskatchewan and Alberta for the handling of this year's crop.

Reports of the negotiations indicate that substantial pressure was brought to bear on Rt. Hon. R. B. Bennett to set up a national wheat marketing board and to renew the guarantees for wheat pool handling of this year's crop. That Mr. Bennett refused to set up a national marketing board is a matter for distinct commendation. As to the guarantees it must not be overlooked that if the pools were to operate as a private company hedging all their wheat, no guarantees of their loans would be necessary. Already provincial and federal guarantees have cost the country millions of dollars and the price of wheat continues around its lowest levels. In the meantime a huge carry-over has been accumulated which hangs heavily about the markets and continues as a dominant factor in depressing the price of our wheat. The one thing that can be counted on to raise the price of wheat is an improvement in world conditions, but such schemes to hold wheat off the market pending such improvement are exceedingly dangerous because so much uncertainty remains yet in the economic outlook.

Possibly there was no way out of giving some guarantee of pool bank loans without endangering the present provincial interest in pool elevators. But all concerned must recognize that such guarantees cannot be indefinitely continued, and the pools will have to be content with such volume of business as

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C.S.L. RETURNS DEPENDING ON GRAIN TRAFFIC

Results to Date Somewhat Behind Those of Last Year

ELEVATOR PROSPERS

Packet Freight Satisfactory —Passenger Trade Off— Hotels Quiet — Cut Down Loans

From Our Own Correspondent

MONTREAL. — Movement of grain from the head of the lakes to the seaboard over the next three months will determine largely the financial returns of the Canada Steamship Lines for 1932. At the moment both gross and net income are somewhat lower than that reported at the same time a year ago, but a heavy movement of grain would quickly wipe out the difference and make for a better season than was the case in 1931.

Conditions in the grain carrying trade until recent months were not on a very satisfactory basis. The drop in tonnage and the resultant scarcity of cargoes resulted in forcing down the tariff. A short time ago the shippers got together and formed a co-operative organization known as the Associated Lake Freighters, which already has done a great deal to bring about order in the shipping business.

Grain Prospects Indefinite

As far as grain traffic is concerned for this fall, present prospects are indefinite. Many hold to the opinion that the movement will be heavy before freeze-up. Others do not think that shipments will be much larger than a year ago. It is still too early to make any definite forecast, but shippers are hopeful that the movement will be heavier. If this is the case, revenues will be appreciably increased, more especially in view of the fact that rates of late have been on a more equitable basis.

Less Tonnage Operated

At present Canada Steamship Lines has about 60 to 65 per cent of its freighter tonnage in operation. This could be readily increased provided the traffic gains, but those ships in operation now are able to secure more or less regular cargoes.

Packet freight business to date has been relatively good. During the last three years Canada Steamship Lines have devoted a lot of attention to this class of business, with the result that a substantial and regular volume of trade has been created.

Passenger Trade Slow

Passenger business, on the other hand, has not been satisfactory. Returns of recent date show that the volume of passenger traffic has been about 50 per cent of that of last year, which in turn was less than that reported in 1930.

Hotel Business Fair

With the drop in passenger traffic business at the company's hotels at Tadoussac and Murray Bay have been adversely affected. In the case of the latter, however, results have been better than might be presumed by the drop in passenger traffic. The Manoir Richelieu is being operated at about 70 per cent and the revenues have been affected favorably by the development of "repeat" business. The Tadoussac Hotel has been operated on a "family" basis this year. The returns are said to have been encouraging.

Plans at present are for closing up the passenger season about September 12, when the boats will be taken off their regular runs and sent to winter quarters. At the same time the Manoir Richelieu will be closed, while the Tadoussac will be closed one week earlier.

Century Coal Holds Up

Subsidiary operations of Canadian Steamship Lines this year have been a mixture of fair and good. The Century Coal Co. has had a reasonably good year to date. The movement of coal has not been as heavy as in other years, still the volume has enabled the com-

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Highlights of the Week

Events and Topics That Make Articles for The Financial Post This Week

Business Broom Sweeps B. C. Politics

Kidd committee makes biggest contribution of decade to cause of sound government in Canada. It recommends—but see pages 1 and 2 and Nation's Business.

Big Stores Dominate

First retail survey in Toronto's history show department stores do 30 per cent of retail business. Real news here. Page 1.

Three Million Strong

Trek of Canadians to U. S. A. has been reversed but there are still 3,300,000 living there. Page 3.

First Lien

Saskatchewan offered 70 cents for wheat but its really a first lien on new crop money. Page 7.

Meet J. C. Nicholls

Reticent production head of International Nickel is Californian by birth. Page 14.

More Parley News

"Inside" story tells why coal, flour and other big items were left out of Empire pacts. Page 11.

Uncle Sam editors at loggerheads over results. They mostly disagree about what was done at Ottawa. Page 11.

Textile business mighty interested but awaits more details. Page 5.

B. C. lumbermen lukewarm over lumber concessions (page 3); apple growers happy. Page 11.

Savants discuss results at Williamstown. Page 6.

Bear Lake Ballyhoo

Inspired propaganda hampers activity of real properties in big new mining area. Page 14.

Wheat Looms

A bumper crop worth $85,000,000 more than last year's. Where shall we market it? F. S. Chalmers, editor of The Post discusses the outlook from Winnipeg. Page 1.

INTER. POWER PROFIT AHEAD IN HALF YEAR

Reduced Working Expenses Offset Decline in Gross Earnings

From Our Own Correspondent

MONTREAL. — Though gross earnings of International Power Co. for the first six months of the current year were lower than those of the same period in 1931, continued reductions in operating expenses have enabled the company to show a slight increase in net earnings in the first half of the current year. This position corresponds to the situation obtaining in the first quarter when gross was down $35,010 but net at $576,321 was up $34,777.

Earnings to date, therefore, would indicate that interest on the company's debentures is being covered with a margin applicable to the preferred stock. In 1931 debenture interest was earned 2.78 times and after all charges there remained a sum equal to $7.11 a share on the preferred. Dividends on the stock were deferred in October, 1931, to conserve cash position.

Effect of Commodity Gains

Recent developments in commodity markets have tended to improve prospects for some of the companies controlled by International Power. For the most part these subsidiaries operate in South America and any betterment in districts served should find reflection in the power companies' activities. In Bolivia, for instance, where Bolivian Power Co. supplies utility services in La Paz and Oruro, conditions are strongly influenced by developments in the tin markets. World prices for tin have shown marked gains in recent months and mines in the Oruro district should benefit.

Bolivian Power operates power plants having a combined capacity of 11,000 horsepower. Substantial outlays have been made on capital account in recent years; in fact the major part of expenditures made by International Power in 1931 were absorbed in completing new projects in Bolivia and Newfoundland.

International Power also has subsidiaries in Venezuela, San Salvador and Demerara. Oil, coffee, and sugar are the chief products of the respective countries. All have been affected by the slump in world prices of the commodities they export and conversely may be expected to benefit by a recovery.

It is in Porto Rico Power Co., however, that International Power has its greatest source of revenue.

(Continued on page 10)

LACK DETAILS BRAZIL REVOLT NEWS CUT OFF

Brazilian Traction Interests in San Paulo Believed Not Hurt

Severance of communication with the State of San Paulo in Brazil has remained almost complete since political disturbances broke out around July 10 and resulted in most thorough censorship by the Federal authorities. With large capital investments within the state, Brazilian Traction, Light & Power Co. has not received reports of operations which would permit the head office in Toronto to issue the usual earnings statement for July. It is believed, however, that little or no damage has been done to the company's property. What fighting there has been appears to have occurred at some distance from company's principal operations. Market action of the stock since early July shows little inclination by investors to treat the Brazilian political situation seriously although prices have not strengthened to the same extent as have those of other market leaders. Selling at around $10 a share in the first week of July the stock has moved up to as high as 11½ in the past week. In the week ended August 29 sales totalled 32,154 shares, by far the greatest turnover of any week in the current year although in the first week in August, the sales totalled 30,282 shares. This high turnover does not necessarily indicate accumulation but the stock moved higher to the extent of two points early in August and one point in the past week.

Little Damage Anticipated

While bankers, investors, importers and exporters are at a loss to know just what is happening in San Paulo due to the efficient censorship of news in effect, men who know the country feel that armed revolt will not be taken to such extremes that there will be much property damage. The Paulistas want an immediate constitutional government while Provisional President Vargas and his government are standing out for elections to be held next May. Recent reports indicate that peace overtures may be made shortly by two committees. The governors of Minas Geraes and Rio Grande de Sul have urged this action on the Federal Government after pressure was brought to bear by industrial and commercial interests.

Shipments of coffee from Santos, chief port of the State of San Paulo, have been cut off for the most of July and all of August and stocks of Brazilian coffee in the United States, the principal consumer, are at low levels. Possibility of a coffee famine if shipments were not resumed at a not far dis-

(Continued on page 10)

Belding-Corticelli Aided By Advance in Raw Silk

From Our Own Correspondent

MONTREAL.—Sharp gains in raw silk prices have influenced the position of Belding-Corticelli Ltd., one of the leading silk manufacturers in Canada. The necessity of writing down inventory figures to take care of declining values in the year ended November 30, 1931, found reflection in the last balance sheet; recent strength in the raw silk market is leading to higher selling prices.

Sales during the current year to date are reported to have been comparable to those of last year, though continued competition is thought to have tended to reduce margins of profit. Inventory valuations will likely play a part in the final showing at the end of the fiscal year; as yet officials are unwilling to make forecasts on earnings.

In the last fiscal period earnings after all charges fell short of dividend requirements on the common stock. Net earnings were $267,342 compared with $321,112 in the previous year. Common share profit was $1.79 against dividends of $7, which rate is presently maintained.

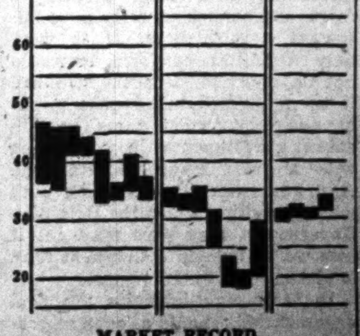
The company is looking forward to a revision of tariffs on silk imports. The French Treaty was cancelled in June last, thereby paving the way for changes in existing silk duties which are expected to work to the advantage of Belding-Corticelli. These new tariffs will probably be dealt with at the forthcoming session of parliament.

Under terms of the old treaty it was not possible to change the tariff schedules when other textile rates were being revised in 1930 and the company was faced with a situation which subjected raw materials to higher duties while imports of finished goods were brought into Canada at the old rates.

Silk manufacturers, in common with cotton companies, are still without knowledge of the new duties which will be laid down. Though agreements signed at the Imperial Conference established preferences on a comprehensive range of commodities, textile plants were not divulged.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Aug. 30	34.5	31.2
Week of Aug. 23	31.9	29.7
Month of Aug., 1931	44.1	40.8
8 Bank Stocks		
Week of Aug. 30	180	175
Week of Aug. 23	175	173
Month of Aug., 1931	227	221
10 Public Utilities		
Week of Aug. 30	52	43
Week of Aug. 23	48	46
Month of Aug., 1931	70	65

BIG STORES DID OVER 30 P.C. OF TORONTO TRADE

Department and General Stores Dominate Retail Sales

$410,000,000 FIELD

Regina is Only City Where These Stores Did Larger Proportion of Retail Trade in 1930

Over 30 per cent of Toronto's retail trade in 1930 was transacted by department and general stores with annual sales of over $100,000, according to the report issued by the Dominion Bureau of Statistics from data compiled from the Census of Retail Merchandising and Service Establishments. With the exception of Regina, this is the largest proportion of business done by department stores in any city in Canada for which the results of the census have been issued to date and reflects the grip which Toronto's highly organized department stores have on the city's retail buying.

Among Ontario cities, London shows the smallest amount of business done by department and general stores with only 6.1 per cent, followed by Hamilton with 13.9 per cent and Ottawa with 19.8 per cent. The proportions are larger throughout the west but Quebec City reports only 9.9 per cent of its retail business transacted in this name. Returns for Montreal and Vancouver are not yet available.

Total retail business and amount and proportion done by department and general stores for the leading Canadian cities for which returns are available are as follows:

Sales of Department and General Stores Compared With Total Sales

	Total Sales	Depart. & Gen. Stores Sales	% of Total Sales
	$	$	
Toronto	369,861,300	112,599,400	30.4
Hamilton	63,068,300	8,777,200	13.9
Ottawa	56,875,600	11,249,200	19.8
Calgary	44,756,600	*9,032,700	20.2
Quebec	40,143,900	3,965,100	9.9
Edmonton	33,722,500	*9,354,200	27.7
London	31,357,900	1,954,400	6.1
Regina	30,172,300	10,431,300	34.5
Saskatoon	25,520,300	6,941,600	27.2

*Includes sales of dry goods stores.

Chains Strong

Toronto's total retail business in 1930 amounted to over $410,000,000, compiled by 8,769 retail stores with sales of $370,000,000 and 3,403 service establishments with total receipts of over $44,000,000. Of the total retail stores, 7,058 were single store independents which did $218,000,000 worth of business, or 59 per cent of the total, and 732 were units of sectional and national chains which did business valued at $100,000,000, or 27 per cent of the total.

The grocery field is the one in which chain store organizations have the strongest hold, and in this field in Toronto they did 58 per cent of the total business with 233 stores out of a total of 1,490. This is the largest proportion for chain stores yet recorded and is much larger than the proportion of total Canadian trade will be. More than half the employees of grocery stores were employed by chain organizations the number being 1,864 out of 3,176, and they received $1,661,300 out of a total of $2,633,500 in salaries and wages.

Grocery stores independently

(Continued on page 10)

Cotton Prices Advance 84% From 1932 Low

From Our Own Correspondent

MONTREAL.—Striking advances in raw cotton values have featured the broad forward sweep in commodity prices. Cotton prices have moved forward more rapidly than any other; at levels of 9.20 cents on August 30 values showed an increase of 84 per cent over the year's low price. Over 50 per cent of this gain has been recorded within the past month.

Effects of this on the cotton manufacturing companies is vitally important. Spot cotton is now within two cents of its high for last year and the strengthening in inventory positions as compared with purchases made at low prices is noteworthy. The rise is a relief to these companies which have been fighting steadily declining values for the past three years, and it is already finding reflection in higher selling prices.

Advances in raw cotton may be attributed to a variety of reasons. Forthcoming estimates of the crop are expected to be lower; the U. S. Government August forecast fell about 1,000,000 bales below average private estimates and 5,700,000 bales below last season's actual yield. Crop prospects have not improved lately, observers say.

Depleted stocks of cotton goods with the likelihood of renewed demand on a wider scale is another factor to be considered. Wholesalers have been restricting their purchases to actual necessities for a long time; now they are faced with higher prices from the mill.

Cotton made an outstanding recovery in the post-war depression in 1921 following reduced acreage and insect damage to the crop; to date cotton has led commodities upwards from their 1932 depression levels.

Reasonably Hopeful Is West of Ability To Sell New Grain

Large Crop Promises Bigger Purchasing Power on Prairies But at Same Time Presents Real Problem in Finding New Markets

CARRYOVER PRESSES ON PRICE PROSPECTS

Russia Not Likely to be in Export Trade in Big Way — British Preference is Unknown and Likely Unimportant Factor — World Economic Revival Needed for Any Large Increase in Sales

By FLOYD S. CHALMERS, Editor, The Financial Post

WINNIPEG.—Western Canada expects a crop of between 400,000,000 and 450,000,000 bushels of wheat of excellent grade this year. A figure half way between the two mentioned is not likely to be very far out.

Defying the lowest prices within their own memories, Western farmers went ahead this year with plans to increase their sowings by nearly a million acres. They put in just about 27,000,000 acres of wheat. The theory of economists that a surplus of any product will bring about remedial factors has been temporarily confounded as Canada and European countries have increased their wheat acreages, Argentine, Australia and the United States alone among the great wheat-growing countries reducing their planting activities.

Western farmers gambled and, so far as production is concerned, they have apparently won out for, taking the prairies as a whole, prospects point to an increase in production of about 140,000,000 bushels. As the cash price of wheat stands just about where it did a year ago and the price prospects are at least no worse than they were then, the possibility exists of the West—taking the farmers, the elevator firms, the railways and all other agencies together—having about $85,000,000 more to divide up than they had a year ago.

Where Can We Sell It?

But converting this 140,00,000 bushels of additional grain into a substantial additional amount in cash that can be used to pay off bills and do some new spending involves one serious problem that is not lightly regarded in the West: the problem of finding additional markets for Canadian wheat sufficiently large to absorb the large quantity wheat we have to sell.

Asking the question: "Where can we sell our wheat this year?" brings evasive answers from many authorities on grain marketing, who have learned in three troubled years of grain marketing routine, upset almost monthly by new and unexpected developments, not to be too assert in any forecast.

But the general opinion of the grain trade is well summed up by the viewpoint of one well-known authority, who expressed himself as "reasonably hopeful" of the markets being found for the crop; and found, of course, in such orderly sequence that the price level will not be further destroyed.

High Grades Reported

The crop is coming out in good condition. The 1930 crop averaged about 67 per cent No. 3 Northern, or higher. The 1931 crop was better in grade and averaged 79 per cent No. 3 Northern, or higher. Already this year, a large volume of No. 1 Hard has been sampled and a very high percentage of the crop will grade No. 1 Northern, or No. 2 Northern, a very excellent showing. The higher average grade will improve the demand for Canadian wheat, help to maintain and in some quarters re-establish the Canadian reputation for high quality, and also raise the average return to the farmers by reason of avoiding the spreads between the Standard No. 1 Northern and the lower grades.

The disappointing factor in the situation is that the carryover at July 31 was not materially reduced from the carryover of the previous year so that the price depressing effect of some 130,000,000 of surplus wheat from previous crops will be present during the present crop marketing season. To get down to a reasonable carryover, say, 50,000,000 bushels, Canada will have to find an increased market this year, not only for the 140,000,000 bushels of additional prairie crop but for about 80,000,000 bushels of the old carryover.

Assuming no change in world demand for wheat and assuming that other exporting countries have the same volume of export trade that they had in the last crop year (neither of which assumptions may prove to be correct), Canada would have to sell twice as much wheat this year as it sold last year to get its carryover down to 50,000,000 bushels and there are not many people who expect that this can be done without a very remarkable improvement in the world economic position.

World wheat exports last year ran close to 800,000,000 bushels, of which Canada supplied over 200,000,000 bushels.

Factors That Might Help

World exports can undoubtedly be greatly increased, but only by a favorable turn in two factors:

1. A lifting of some of the more rigid import restrictions in Germany, France, Italy and other European countries that have been forced by financial pressure to import less food and grow more at home.

There are no indications yet of any particular relaxation of these import restrictions. Germany and France are harvesting excellent crops. Italy may be a larger importer from necessity.

2. An improvement in the world economic position, that would restore some of the world's lost purchasing power.

Canadians, sitting on the sidelines and watching the present speculative and business spurt in the United States, are feeling much more hopeful about the business situation in general, but economic authorities in Europe are somewhat sceptical and refuse to dogmatize to the effect that world trade has struck bottom. True, Europe has been buying American securities, but it is hard to distinguish what proportion of this buying is due to an improved sentiment and what

(Continued on page 2, col. 1)

Power Industry Faces Over-Expansion Effects

Some $280,000,000 is required, says the Dominion Water Power and Reclamation Service, to bring power plants actually under construction at the beginning of this year to completion.

Already over $1,500,000,000 is invested in Canada's water power industry and this total will likely be well over the $1,800,000,000 mark by the end of 1932. For in addition to the capital outlay on new plants, large sums will be needed to defray the cost of additional transmission and distribution lines.

At the close of 1931 there was installed in Canada 6,666,337 h.p. Installations during 1932, or early in 1933, will bring this total to over 7,000,000 h.p.

Concerned With Outlook

Observers are becoming concerned over the rapid increase in installations and are also given to wondering where a market will be found for the additional power that has been placed on the market since the beginning of 1931.

Reason for this doubt of the inability of the market to absorb the new power supplies is based upon the government's report of output. It is obvious that the needs of industry have been greatly less over the past two years and that any increase in demand at this time has come from new industries and the normal advance in consumption for domestic uses. As the number of new plants established has been relatively few and their power needs limited, any advance in consumption has been largely attributable to increasing use of energy by domestic consumers.

Output Has Tended Downward

The trend of total consumption in the past two years, however, has been downward. In 1929 Canada reported an output of electrical energy totalling 18,014,000,000 kw.h. In the following year a record of 18,256,000,000 kw.h. was set. There was a drop to 16,610,000,000 kw.h. in 1931, while for the first half of this year production has amounted to 7,947,699,000 kw.h.

During the time that production has fallen off, installations have increased over 500,000 h.p. With a possible another 500,000 h.p. by the end of this year or early in the spring of 1933, the Dominion will have 1,000,000 h.p. over and above that required to take care of the record consumption in 1930.

Plant Limitation is Necessary

With the growth of industry and the widening use of electrical appliances in the home, lighting of stores, etc., industry can usually figure on a nominal increase from year to year. Installations should be limited to such estimated increase in order to escape over-expansion.

In the following table showing the capacity of power plants from 1900 to the end of 1931, it will be noted that until within the last ten years expansion was more or less at a consistent rate. While it is true that the demand for electrical energy has been on a wider scale

(Continued on page 10)

SAYS POLITICS RESPONSIBLE B.C.'S PLIGHT

Kidd Committee Brings in Sweeping Report on Finances

PATRONAGE BLAMED

Provincial Budget to be Cut $6,000,000 — Coalition Government and Election Forecast

From Our Own Correspondent

VANCOUVER. — Adoption of Coalition Government pledged to a legislative programme of drastic economy, with an early provincial election as a possible forerunner, is indicated following presentation of the Kidd report on British Columbia's financial position.

After being withheld from publication for several weeks, the report was finally given out by the Tolmie administration after the committee had made some minor amendments to the original text.

The report blames party politics and patronage with their attendant extravagance and blundering, for British Columbia's "alarming" financial plight.

Would Scrap P. G. E. Railway

The committee had at first recommended that the Pacific Great Eastern Railway should be scrapped unless early sale was negotiated. This has now been modified in favor of discontinuance within nine months should the road not be disposed of in that period. It is understood that there is a new deal pending for the railway.

Another proposal in the original report was that the legislature be reduced from 48 to 14 members. Such a reduction was considered impractical, and now the committee favors a legislature of 28—two members for each federal riding. A cabinet of 6 members is recommended as against 12 as at present.

Curtailment of expenditures in all departments to the extent of $6,000,000 a year so that the budget may be balanced without undue strain on the taxpayers or additional loans is advised by the committee.

Other important recommendations include:

No more public works for the present.

Closing of the University of B.C. if the government cannot continue its present grant.

Reduction of the government payroll by $750,000 a year.

Limit of free education at 14 years of age.

Sale of British Columbia House in London.

Substantial increase in succession duties; a net income tax on insurance companies, banks, telegraph and express companies and on railways, as of public utilities.

A halt in the increase in social services.

Policing of B.C. by Royal Canadian Mounted Police.

Business Men's Committee

Headed by George Kidd, former chairman of B. C. Power Corporation, and including several business leaders of Vancouver and Victoria, the committee was appointed primarily to examine the government's financial problems with a view to recommending some plan whereby the budget might be definitely balanced over a term of years instead of continuing the long series of provincial deficits.

But while the committee examined facts and figures exhaustively and made a complete analysis of them, urging retrenchment in many directions, probably the most significant and far-reaching proposal of all is the plea for an end to the wastefulness of partizanship in politics. Whenever the committee carried its enquiry it came face to face with this

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CHARGE TO CASH

Sounds erratic, doesn't it? But it is what you do when you

SHOP WITH a D.A. at EATON'S

YOU have placed to your credit a sum to meet anticipated purchases . . . . so that when you buy and say "Charge to my D.A.", the price is merely deducted from the cash in your balance.

An itemized statement the first of the month gives you a record of your expenditures.

It is convenient for shopping . . . . all purchases are delivered as Paid . . . . so you can order by telephone goods advertised "No C.O.D. Phone Orders" . . . . and you don't have to wait in for C.O.D. parcels.

Why not open an account for your fall shopping?

CUSTOMERS' DEPOSIT ACCOUNTS

Fourth Floor Main Store

Third Floor EATON'S-College St.

THE T. EATON CO LIMITED

Rising Commodity Prices Little Aid to Farmer as Yet

The rising tide of commodity prices has done little as yet for Canadian farmers.

Chief interest for western farmers centres of course on grain prices and here the record to date is not encouraging. Wheat, for instance, although it is up roughly 4.5 cents from the low point of 53 cents reached in the middle of July is still hovering close to the record low levels of the past two years. A gain of 4.5 cents means however an extra $20,000,000 of wheat revenue on the estimated total crop of 1932-33. The real gain in purchasing power here will come from the substantially increased volume of the new crop.

Offsetting this $20,000,000 gain however is the low price of oats now currently seven cents a bushel below prices which have prevailed until recently. On the average oats out-turn of recent years this will mean a loss of roughly $28,000,000. Barley has also lost from its recent high mark of 45 cents but current quotations of 38 cents a bushel are little different from average prices of recent months so there is little net change here, to date.

Dairy Products Best

Next to field crops which comprise roughly 45 per cent of agricultural revenue comes dairy products which yielded last year 27 per cent of the total. Here butter is currently selling five cents a pound higher; which means an extra $13,000,000 to the farmer's wife (if she gets it) while eggs show the best gain of all being higher by 11 cents a dozen above recent low levels. Another $33,000,000 on the right side of the ledger.

Farm animals are firmer in price but not sufficiently to make any real different as yet on the bulk total. The one-half cent rise in hog prices for instance, means only $1,000,000 more on the basis of total marketings last year.

Adding the gains and subtracting the loss from lower oats prices we find a net gain to date of about $40,000,000 attributable directly to higher commodity prices in the items noted above. Add another $10,000,000 for other items not included and the grand total is probably about $50,000,000.

Perhaps the most vital point to remember is that every one-cent rise in the price of wheat and oats means roughly $8,500,000 increase in return to farmers and those who handle these commodities.

C. S. L. RETURNS DEPENDING ON GRAIN TRAFFIC

(Continued from page 1)

pany to maintain operations on a satisfactory plane.

Kingston Elevator Active

Kingston Elevator Co., operating a grain elevator at the city of the same name, has had an excellent season to date. Up until the middle of this month over 14,000,000 bushels had been handled by the elevator. In addition to that handled for trans-shipment, the elevator has had a goodly part of its facilities turned over to the storage of grain.

Canada Steamship's large lake freighters, such as the Lemoyne, are now using the Welland canal and unloading the grain at Kingston. The establishment of the elevator at Kingston has been proven a sound move as an adjunct to the company's grain handling facilities.

Davie Repair and Shipbuilding Co. has been relatively inactive this year, while the Midland Shipbuilding plant has been closed down. The former has had a number of small jobs and at present is completing a new fire tug for Quebec. It will be recalled that last year Davie Shipbuilding had a contract for the building of the large train ferry to operate between the mainland and Price Edward Island.

Reduce Bank Loans

Though no details are available regarding earnings this year, it is understood that the company has done well in reducing its current bank loans. With a good movement of grain it is likely that this loan will be eliminated. There are other bank loans carried over from last year to be cleared up and whether or not these will be reduced before the end of the year depends upon traffic in the next three months.

Decide on Interest

Interest on the 5 per cent consolidated mortgage bonds was met on August 15. There is no word as yet respecting the first and general mortgage bonds, interest on which falls due on October 1. A board meeting will be held shortly to determine on what course of action will be taken in respect to this charge. The decision will be largely influenced by the movement of grain from the lake head.

There are still no immediate prospects on a resumption of dividends on the preferred stock. The dividend payable on October 1, 1930, was passed. The upward movement in this stock over the past ten days is regarded more as speculative than to any actual improvement in the company's earning power.

REASONABLY HOPEFUL IS WEST OF ABILITY TO SELL NEW GRAIN

(Continued from page 1)

is due to a general feeling that American securities may prove relatively better if Europe suffers another relapse.

Not Excited by Preference

Grain men of mature judgment withhold their final pronouncement upon the possible effect of the new United Kingdom preference for our wheat. Even if the agreement were quickly ratified the most optimistic of them fail to see how it could enlarge our market in Britain by more than 10,000,000 to 20,000,000 bushels this year, which would be helpful but not greatly so.

The best basis for hopefulness lies in the probability that Russia and some other exporting countries will be less important factors in wheat export this year and this will give Canada a less obstructed field for its own export activities.

Russia Out of Picture?

From the Canadian standpoint, one very hopeful factor in the wheat situation is the likelihood that Russia will not be a dominant factor in export trade this crop. Two years ago Russia had the wheat producers of Western Canada frightened and the business men of the country almost paralyzed. She was dumping wheat on world markets at very low prices, so low that she was accused of using her wheat exports in an attempt to break down the stability of the capitalist countries. Russia had an exceptionally good crop in 1930 and had a large quantity of wheat to export at a time when she was striving hard to build up cash credits abroad. Her exports demoralized an already weak wheat market and it made the situation particularly difficult for Canada because our 1930 crop was far below average.

Last year, Russia had a smaller crop—somewhere around 900,000,000 bushels, as against nearly 1,100,000,000 bushels in the previous year. She proceeded along the previous lines of gathering together as much of the crop as possible for export. But 1931 was not 1930 and by midwinter of this year it was apparent that Russia had overplayed her hand. She found herself with a shortage of food, a shortage of feed, and a shortage of seed and the spectacle was witnessed last spring of Russia buying seed wheat at Vancouver in order to sow her crop for the current season.

Another Small Crop

Reports from Russia, that are as authentic as it is possible to get, make it clear that the Russian crop has again fallen far below the bumper yield of 1930 and that Russia will show very poor judgment if she attempts any large volume of export. Her vast population of about 150,000,000 people are demanding more food; she is unlikely to repeat the mistake of depleting her feed and seed reserves; she has already relaxed her rigid policy of robbing the granaries to build up credits abroad. It is officially stated that Russia farmers are this year being permitted to withhold a portion of their crops for their own use or for local sale and this fundamental change of policy will undoubtedly reduce materially the wheat in the hands of the government.

Whatever the other problems the Western Canada wheat grower faces this year in finding a market for his crop, Russia looms as a less serious one than in the past.

Long Term Threat Discounted

For that matter, the long term threat of Russia is taken less seriously than it was. It is believed that Russia has moved very close to the saturation point in wheat production; her mechanized farms and her grain factories have not yet proved their superiority in production efficiency over the unit system of farming and the standard of living of her population must be permitted to rise if another revolution is to be avoided. Russia's billion bushel crops look large on paper when compared with Canada's crop but the fact that Canada has a consuming population of only 10,000,000 people while Russia has a consuming population of 150,000,000 people, who have only begun to taste the flavor of white bread, is a factor that cannot properly be overlooked.

Problem of Carryover

Canada carried over into the present crop year 131,000,000 bushels of wheat, not counting some additional quantities afloat or stored at United States points. The carryover at July 31, 1931, was 134,000,000 bushels, so that it is apparent that Canada accomplished practically nothing more last year than to sell her 1931 crop. Thus, we enter a new crop year with the same pressing burden of carryover to bear down upon prices and to make the problem of those who market Canada's wheat more serious.

The large wheat carryover really dates back to the 1929 crop, when the wheat pools in their last defiant lunge at the economics of the situation determined that they would not sell their wheat until it got to $1.75 or $2 a bushel. They held their wheat and they held the price, but in doing so they held an umbrella out to protect the Argentine wheat growers, who were able to dispose of an extra large crop at a high price, while Canada enjoyed the doubtful privilege of sitting on its own crop, nominally worth a great deal, but entirely in our own hands.

Effect Was Distressing

What happened is, of course, history. By July of 1930 wheat had dropped below a dollar a bushel and the Western provinces, who had jumped in to protect the wheat pool bank loans, had the makings of a big problem on their hands. Wheat kept on going down. One new factor after another entered into the situation. Russia came on the scene as a large exporter. European countries put up prohibitive tariff and import barriers and encouraged wheat growing at home. Exchange went against Australia and Argentine and gave those countries advantages in overseas markets. The crisis in Europe led to financial collapse and further disturbed international trade. Britain went off the gold standard and was followed by most of the other countries of the world. The wheat market simply failed to come back and the reduced consuming power of the world was insufficient to look after world production and at the same time eat into the huge carryovers. Canada might have gotten rid of its surplus wheat if it had been willing to dump its supplies at what they would bring but, wisely or unwisely, the Dominion Government followed the Western provinces into the hazardous business of guaranteeing bank loans to prevent enforced sale of the stocks on hand.

Carryover Still More

Anyway, we entered the 1931-33 crop year on August 1 with our carryover of wheat near to the top figure of all time; with Western credit pledged to guarantee wheat pool losses that were so much deadwood; with Dominion credit pledged to finance the last two crops which had not been entirely liquidated.

The wheat pools, with their Dominion backing, are carrying a vast amount of wheat of previous crops, the figure being variously estimated as between 45,000,000 bushels and 90,000,000 bushels with 80,000,000 bushels being the figure usually mentioned. On this it is understood to have a huge book loss, which will fall upon the Dominion Government if something doesn't happen soon to put value behind the loans.

Much the same thing has been going on in the United States, where the Federal Farm Board has year by year continued to hold wheat off the market, at the same time promising higher prices for the farmer.

In the case of both countries, the problem has resolved itself into making the decision whether it was better to get rid of the carryover and let wheat prices break or to hold off the market and let the farmers get rid of their current production. Had the governmentally-financed schemes been liquidated, prices might have broken more than they did; some Westerners say that 35 cents a bushel would have been touched. This would have meant widespread ruin and bankruptcy in the West and those who support the Government's policy of attempting to hold wheat prices by financing pool wheat say that even if the country loses $10,000,000 or $15,000,000 on the guarantees the amount can well be charged up to Western relief and be considered low for the job it has done.

But, on the other hand, the policy has undoubtedly prolonged the period of weakness in prices and in the long run will probably cost Canada as a whole much more than the immediate gains, if any.

Few Speculators

One serious effect of the Government credit policy has been to frighten the speculative element out of the wheat markets. Under normal conditions, there is such a volume of speculative buying in wheat that it is easy for elevator companies and farmers to hedge their wheat by selling futures contracts. But with speculation dried up and exports at a minimum there is only a limited group of people to buy hedges.

A revival of speculation in commodities would be of tremendous value to the Western Canadian farmer but it is recognized that speculators will take their time about coming into wheat so long as they realize that among the contracts they would have to buy for the rise would be the distress contracts of the federal farm board and the Western wheat pools. An impassé has been reached that will probably require general world economic revival to dissolve.

Sherbrooke Retail Business Survey

A preliminary tabulation for the Census of Merchandising and Service Establishments shows a retail business for the City of Sherbrooke during the year 1930 of more than ten million dollars. There were 366 retail stores with sales of $9,545,100 and 162 service establishments with gross receipts of $771,900. The former employed 1,138 persons who received $1,140,600 in salaries and wages.

Sweeping Changes Planned In Kidd Committee Report

From Our Own Correspondent

VANCOUVER.—Chief recommendations of the sweeping report on British Columbia's financial and political situation as released this week by Premier Tolmie may be summarized as follows:

1. Curtailment of government expenditures in all departments to the extent of $6,000,000 a year so that the budget may be balanced without undue strain on taxpayers or additional loans.

2. Reduction of legislature from 48 to 28 members—two members for each federal riding. A cabinet of six instead of 12 as at present is also recommended.

3. Pacific Great Eastern Railway to be discontinued within nine months if road not be disposed of in that period.

4. No more public works for the present; appointment of a highways commission.

5. Closing of the University of British Columbia next year if the government is unable to continue its usual grant and the efficiency of the institution is jeopardized; and the provision of scholarships to take outstanding British Columbia students to outside universities.

6. Policing of British Columbia by the Royal Canadian Mounted Police, with separate metropolitan police forces for Greater Vancouver and Greater Victoria.

7. Reduction of the government's payroll by $750,000 a year by cuts in personnel and by reductions in salaries of those whose services are retained. All government employees to be under civil service classification and administration.

8. A halt in the increase of social services to see if the same objects cannot be achieved by a cheaper and more equitable record.

9. Saving of $2,000,000 annually by following measures:

(a) A limit on free education at 14 years of age, 50 per cent of the entire cost to be borne by pupils over 14 years and 100 per cent of the cost charged to pupils in high schools after their sixteenth year; a scholarship plan for exceptional students and an increase in the minimum number of pupils required to open a rural school from 10 to 15 and for establishing a high school from 15 to 20.

(b) Abolition of school boards in municipal school districts with their functions turned over to municipal councils.

(c) Reduction in teachers' salaries by 25 per cent.

(d) Imposition of a series of fees at normal schools sufficient to cover the entire cost of educating the student.

10. Sale of British Columbia House in London. Closing of the Agent-General's office and the transfer of his work to Canada House, headquarters of the Federal Government in London.

11. Substantial increases in succession duties; a net income tax on insurance companies, banks, telegraph and express companies and railways as on public utility companies.

12. Elimination of political patronage in purchasing by the use of contracts awarded to the lowest bidder with no ordering except through the purchasing agent.

13. Temporary repeal of Minimum Wage Acts.

14. No further land settlement or irrigation expenditures. Concentration of all settlement in areas already cleared.

15. Careful administration of old age pensions which otherwise will be too heavy a cost for the province to meet.

16. Administration of unemployment by a small experienced, independent committee.

17. Stricter administration of mothers' pensions, as British Columbia cannot afford the most generous mothers' allowances on the continent.

The Nation's Business

(Continued from Page One)

their own resources and their own credit will enable them to handle. If such guarantees delay the financial and general reorganization which is yet to be faced in each province they will be of small ultimate service to members. And care must be taken that government credit is not employed for the purpose of accumulating and hanging on to stocks of grain in elevators which otherwise might have been sold, or might have remained on farms. On past occasions the ease with which such accumulations might be handled and financed has undoubtedly led to our carry-overs of grain being larger than they otherwise would have been.

* * *

THERE are several different aspects to the problem presented by the wheat pools, on which a certain amount of confusion is occasionally evident.

One of these is the matter of pool selling of this year's crop. This is of small moment, because farmers are no longer held bound by contracts signed several years ago to pool the proceeds of their grain. There is no longer any common pooling of grain as between the different provinces, but each provincial pool organization operates a small pool of its own, which can be used by any farmer who so desires. A certain number of farmers did make use of this plan last year, but the total volume amounted to only a few million bushels. Pooling is not now a significant factor in the handling of the Western crop, but the fact that the plan is being kept alive in attenuated form may have some importance in the future, in case a desire later develops for a more extended use of pooling.

* * *

EACH provincial pool organization is, in effect, no longer a pool, but rather an elevator company, operating a large line of elevators, and handling grain on the open market system used by all other companies. Indeed, in Manitoba, the original pool as incorporated no longer functions, but its place has been taken by an elevator company. These three provincial elevator companies, as they must be considered, have a large number of elevators. To operate these elevators and to handle all the grain they are capable of handling, takes a good deal of working capital. Each has a certain amount of such resources, to act as a basis for borrowing from the banks, but none is able to give supplementary security to the banks, as the assets of each are pledged to the respective provincial governments. Banks will ordinarily lend a very large percentage of the value of grain in store, provided it has been hedged by sales for future delivery, but of course not the whole value. Without any government guarantees each pool organization might be able to do a good deal of business, but perhaps not all that it might like to do.

Then the provincial governments come into the picture. They are creditors of the pools for large amounts lost in connection with pool guarantees, and their security for repayment is in the different elevator systems. If these systems are hampered by lack of working capital, their earnings may be less and the possibility of the provinces recovering a portion of their money is correspondingly reduced. So it is quite natural for the provinces, which cannot themselves provide working capital to ask the Dominion Government to do so.

* * *

ANOTHER factor is the position of the Dominion Government in the grain market. Quite without intending to, the government became involved in the grain market when it assumed responsibility for the liquidation of the pool on the 1930 crop. Liquidation has not proceeded very far, but the government is responsible for a large quantity of grain, which has lately been publicly estimated as close to 80,000,000 bushels. A considerable loss to the Dominion treasury is inevitable, unless a rise in prices should take place.

No doubt the government would like to be extricated from this position, but it is now being urged to go very slowly in compelling liquidation of its position, for fear the market should be impaired. And it has also been urged to authorize increased holdings with a view to "stabilizing" the market if necessary.

* * *

THEN there is the request on the government to establish a Wheat Board, which in essence is to adopt permanently the principle of nationalizing wheat marketing. No such plan could now be entered into for only a single year. Among those, therefore, who urged this plan, would naturally be not only those who would look on this as an expedient to be tried in the hope that wheat prices might not get any worse, but also others who would regard socialization of anything as a sound idea.

Still another factor is the recently concluded treaty between Canada and the United Kingdom. One clause of this puts in danger the wheat preference which is to be granted to Canada if this country is unwilling or unable to sell wheat to Great Britain on the basis of world prices. Another, aimed at Russian dumping, suggests that state marketing is not a very good thing.

In view of these facts, and the further fact that Mr. Bennett has no predilection for socialism, it is not unnatural that he did not grant the request understood to have been made to him for a national Wheat Board. Indeed it appears to be doubtful if there is much Western opinion, or even any consensus of opinion in pool circles behind such an idea.

* * *

IT SHOULD never be assumed, as it has so lightly been assumed in the past, that a government guarantee is a mere matter of form, and cannot possibly have untoward consequences. If it were only a matter of form it would not be required, a fact which had it been realized in advance might have saved enormous sums for Canadian governments in connection with a great many undertakings. Any guarantee in connection with wheat handling which the Dominion Government may give may get it into worse trouble with wheat than it already has on its hands.

In their own interests the pool organizations should as soon as possible arrive at some means of getting along without further guarantees. They will be stronger ultimately, even if it should mean doing rather less business. Otherwise they run the risk of suddenly confronting a situation when further guarantees are flatly refused, and their alternative plans have not been matured.

SAYS POLITICS RESPONSIBLE B. C.'S PLIGHT

(Continued from page 1)

major cause of useless expenditures—a by-product of the political spoils system.

Would Abolish Patronage

The committee, in its report, demands a complete departure from the present system under which a change of government is little more than a change in the patronage list.

In view of the breadth of its conclusions and the possibility that the conditions confronting British Columbia are largely identical with those in other provinces, the Kidd report is of special interest at this time to business men and taxpayers throughout Canada. It says in part:

"We are of the opinion that the time has come for a complete change in the ideas, opinions and motives which have influenced both the electors and the elected in the past. Patronage and self-interest have been allowed to control the affairs of government and the public purse has been regarded as an inexhaustible booty upon which all may prey. Our legislators and their leaders have lived so long in an atmosphere of concession, compromise and debt that it is difficult, if not impossible, for them to realize the entirely new conditions with which they are today confronted.

"The record of deficits and public debt to be found in this report prove conclusively that reform and economy have been urgently required for many years and it is not pleasant to reflect that only the present financial crisis has enabled this warning, now much overdue, to be given to the public. When we consider all the circumstances constituting the financial position of our province, the picture is an alarming one. It is certain that another unbalanced budget is already in sight and that no economies of a sufficiently drastic character are being effected to compensate for the deficiency.

"Some may question the reason for the foregoing dissertation on our system of government by an economy committee appointed for the purpose of recommending reductions in expenditures in order that we may enjoy the refreshing experience of a balanced budget. The answer is that in the opinion of this committee the first step on the path of retrenchment is a very substantial reduction in the number of our legislators. The greater the number of our legislators the greater is the danger to the treasury from selfish local interests and the more fertile is the ground for party intrigue and patronage.

"We therefore come unhesitatingly to the conclusion that a very substantial reduction in the membership of the Legislature is one of the first essentials in any plan for effecting economies in provincial administration.

"The government of the day is faced with a heavy drain on the public purse for unemployment relief and other expenditures which can not continue for more than a few months, so that the prospect for the coming winter is disturbing in the extreme. We are not alarmists, but we consider it our duty to warn the public of the present desperate condition of the government's finances in order that they may have at least an opportunity of stemming the tide before it is too late.

"We have done our best in accordance with our instructions to indicate economies which an efficient and unhampered administrative machine could enforce, bringing in sight a balanced budget and the restoration of public confidence which today is badly shaken.

"But such a machine will, of course, depend for its successful operation on those by whom it is directed. The most perfect safeguards resulting from centuries of experience, can be nullified in their operation by a multitude of counsellors uncertain when to say 'Yes,' and seldom capable of saying 'No.'

"By what means such an administrative machine is to be created, is not for us to say. All we can suggest is that the demand for its immediate creation is imperative if we wish to avoid the disgrace of having the control of the affairs of the province pass into the hands of its creditors.

"It has, we believe, been suggested that should the occasion arise, the Dominion Government will take such steps as may be necessary to protect the solvency of any provincial government. We are of the opinion that this very important aspect of our financial position should be investigated and if possible a definite understanding arrived at."

Stop & Shop Securities Now Ready for Exchange

Holders of bonds and stock of Arnold Brothers Ltd. have been notified by the Montreal Trust Co. that securities of Stop & Shop Ltd. are now available for exchange under the reorganization plan accepted last May.

Bondholders are asked to send in their bonds with October 1 coupons attached for which they will receive equal face value of 6 per cent first mortgage bonds of Stop & Shop Ltd.

Class A shareholders of Consolidated Food Products Ltd. will receive two new common shares of Stop & Shop Ltd. for each three shares of class A stock now held and common shareholders will receive one new common share for each 10 shares of common now held. Holders of the minority interest in Arnold Brothers Ltd. common will exchange their shares on the same basis as common shareholders of Consolidated Food Products. Warrants will be issued for any fractional shares.

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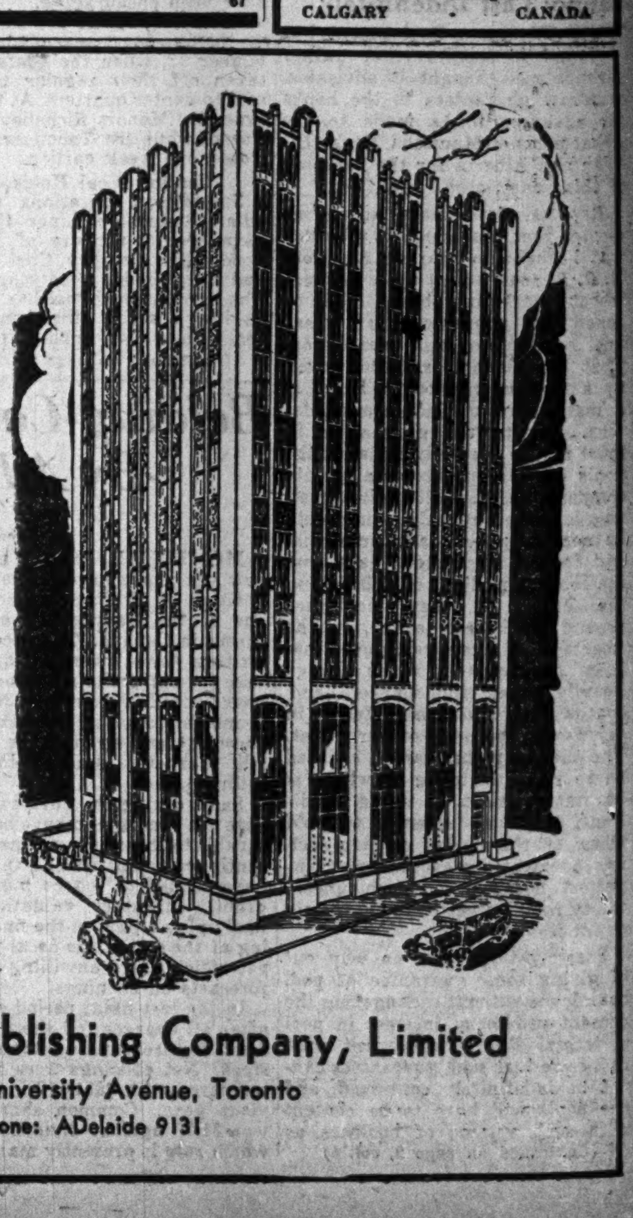

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B. C. IS DOUBTFUL OF GAINS MADE BY LUMBER PACT

Considers Battle With Russia For U. K. Mart, But Half Won

From Our Own Correspondent

VANCOUVER. — British Columbia has apparently only half won its battle for a bigger share of the rich United Kingdom lumber market. Although a strenuous effort was made at the Empire Conference for an increase in the preference or an embargo or quota on Soviet Russian imports, the best deal obtainable was continuance of the present 10 per cent preference with the assurance that shipments would be restricted from countries where government aid made competitive prices impossible.

At present writing, the only real advantage gained by the British Columbia industry is that continuance of the preference will make competition in the British market from Oregon and Washington out of the question. Not so long ago British Columbia played second fiddle to these two states in supplying the British demand for certain classes of lumber. The 10 per cent preference will be sufficient to shut these states out, just as it has in recent months. Now for the first time in the history of the lumber business in the Pacific Northwest British Columbia has gone ahead of the combined foreign lumber exports of the two states, and this record was due largely to the increase in British and Australian demand as a result of preferential trade agreements.

Lumbermen Sceptical Yet

But beyond that the gains from the conference are so far impossible to determine. Lumbermen told The Financial Post that they would have to wait and see how the promise of Soviet restrictions worked out in actual practice. They pointed to the difficulty in setting an arbitrary figure beyond which competition would be regarded as impossible. This policy might lead to the establishment of a sort of tariff commission with the possibility that its functioning would be slow and cumbersome.

The industry here would have much preferred an unequivocal stand against British imports from countries where cost of production was out of line with Canada's. They felt that establishment of a quota system or an absolute embargo on Soviet lumber would have been much more effective. They were not over-anxious for increase in the preference because they felt that, even with that, Russia could undersell, forcing prices down so low that the whole industry would be demoralized.

The fear of the lumbermen on this coast is that the present situation will lead to continued purchase by Britain of cheaper grades of lumber from Russia, even though it may put a large volume of the higher grades in this market, representing about 40 per cent of the average sawmill output. The difficulty in that is that the lumber industry, as at present constituted, must operate on a higher percentage than 40 per cent to make a profit.

"We cannot cut timber economically when we are assured of a possible market for only 40 per cent of the mill production," explained J. O. Cameron, one of the biggest operators in the province. "We must have some sort of assurance that we can sell a large part of the remaining 60 per cent. We cannot afford to leave it stacked in the yards.

"If Soviet lumber was shut out of the British market we could have sold close to 90 per cent of our production in the Empire. Actually, so far as the British Isles are concerned, we cannot hope for sale of more than our highest grades. The Atlantic seaboard of the United States was our greatest market, using practically everything we could produce, but that has been eliminated by depression and the United States tariff. Our chief hope for the sale of cheaper grades lies today in the Canadian prairies and in the Far East."

The new federal subsidy on lumber shipments to China is for this reason of special benefit to the industry at this time.

Russian Trade Figures

According to Chief Forester P. Z. Caverhill, Russia has contracted to sell British importers this year 700,000,000 feet of lumber at $18.50 per thousand feet, c.i.f. The Soviet is enabled to do this by reason of the fact that there are no stumpage fees and the labor cost is practically nothing.

Mr. Caverhill estimates the cost of production in Scandinavia and Russia at between $25 and $50 per thousand. To this must be added about $3.50 for freight to the United Kingdom. Two years ago Russia started her campaign to capture the British market at any price and gave a discount of from one to seven per cent according to the size of the order. British Columbia lumber can hardly be laid down in England for less than $31 per thousand feet.

B. C. Prepares for Drop in Liquor Revenues

From Our Own Correspondent

VANCOUVER—The British Columbia government is preparing for a long period of declining revenue from the sale of liquor. Not only has there been a general reduction in liquor sales so far this year, but anticipated relaxation of prohibition laws in the United States will probably curtail purchases by travellers from across the boundary to a considerable extent.

As the population grows, consumption of liquor will grow, but so will the cost of government, so that one will probably offset the other.

The last semi-annual profits for the six months ending March 31, 1932, totalled $1,637,783. This is a big drop from the peak years of 1928-29 and brings the liquor business back to approximately the volume of 1924, when the population of the province was much less than it is now.

B. C. Salmon Pack Drops To Half of Last Year's

From Our Own Correspondent

VANCOUVER—Although showing an increase over the corresponding period for 1931, the British Columbia salmon pack to August 22 is less than half that of the similar period two years ago. To date this year the total pack of all species of salmon amounts to 685,690 cases, whereas in 1930 the pack at August 23 totalled 445,534 cases. Last year's pack at this time totalled 497,245 cases. Sockeye held the lead in the amount packed, with a total of 248,895 cases.

Four U.S. Cities Have Over 50,000 Canadians

While Migration Movement Has Been Reversed, States Still Numbers 3,300,000 First and Second Generation Canadians

From Our Own Correspondent

WASHINGTON.—Statistics just released by the Commissioner General of Immigration for the 12 months which ended last June 30 show that about three emigrants left this country for every one admitted.

The chief significance of this fact is that the United States promises, at least for the time being, to be no more the world's melting pot. The effect of a stoppage of immigration is to fix the ethnic and national groups which comprise the population of the United States.

Whether the present situation will prevail in the future years remains to be seen, but it is interesting to note what national groups make up a large proportion of the people of the United States. In particular, it is surprising to learn from the figures of the census Bureau here how large is the proportion of Canadians to other non-native stock in the United States. In 1930, date of the last census, there were living in the United States 1,278,421 natives of Canada. There were also 2,058,924 persons whose parents, or at least whose fathers, were natives of the Dominion.

Canada's emigrants to the United States make up the principal "foreign" or non-native born stock of New England.

But Canadians who are worried about the population drain from their country to this, will be glad to know that during the past year, for the first time since complete two-way figures have been compiled—a matter of about a decade—the movement of Americans and returning Canadians to Canada last year exceeded the migration from Canada to the States.

Our Large Contribution

The contribution which Canadian blood has made to the population of the United States bulks large in relation to the immigration from other countries. Thus, in 1930 Canadian born people in the United States amounted to 9.6 per cent of the foreign born. This is only 1 per cent lower than the proportion of all natives of England, Scotland, Wales and Northern Ireland.

Looking more closely into the figures one finds that Canadians, other than French, and therefore probably mostly Anglo-Canadians, comprised 6.8 per cent of the foreign born inhabitants of the United States in 1931 against 6.1 per cent for English. French-Canadians comprised 2.8 per cent against 2.7 per cent for the Scottish. In other words, there were in the United States in 1930, 907,569 Canadians, mostly Anglo-Saxon, in comparison with 808,672 Englishmen.

French Exceed Scottish

The number of French-Canadians was 370,852 in comparison with 354,323 Scotsmen, and there were more than 2.5 French of Canadian origin in this country to every Frenchman from France.

With 100,000 more English in the United States of Canadian than of British Isle origin, it is clear that the Dominion has occupied an important part in strengthening the Anglo-Saxon mold out of which the United States was originally cast.

It is also apparent that in later decades, Canadians displaced the United Kingdom as the principal source of the English stock of the population of the United States. In 1850, of the foreign born population of the United States, 16.8 per cent was English in comparison with 6.6 per cent which was Canadian, and a considerably smaller percentage English Canadian, the French and English Canadians not being separated in the earlier statistics. The ratio of English to Canadian English dropped gradually to 1930, when the latter, as shown before, outnumbered those from the Mother Country, and for the last 30 years Canada has supplied almost as large a proportion of the foreign population of the United States as have all England, Scotland and Wales. These figures are more impressive when it is realized they are of the country of birth of the immigrants; in other words, British-born who have migrated to Canada and later in their lives to the United States are not included among the immigrants from the Dominion.

Fourth in Foreign Stock

Canada was the fourth largest source of the foreign white stock of the United States in 1930. Italy was first with a population of, in round numbers, 1,790,000; Germany was second with 1,608,000; Great Britain and Northern Ireland were third with 1,402,000, followed by Canada, with 1,278,000. Canadians in the United States exceeded the Scandinavians, whose total was 1,122,000; the Poles, whose United States population was 1,268,000, and the Russians, whose total was 1,153,000.

Emigrants from Canada have generally tended to concentrate in the northern tier of states, particularly in New England. For the entire twentieth century and probably for several years longer, Canadians have outnumbered by far the totals of any other single nationality resident in the New England states. This would surprise the proverbial visitor from Mars or anywhere else. A casual visitor, and even a native of New England, is so impressed by the large European groups living there, that it would never occur to him that Canadians were the dominant foreign element. For instance, cities like New Haven, Conn., abound in Italians, while Bridgeport, Conn., has many Italians and Slavs. Of course one is not aware of the large number of Canadians in New England because they fit so readily into the life there, and because of their language and other characteristics are closely akin to the old native stock of that section and they do not live segregated like Europeans tend to. Even the French-Canadian population of the United States are nearly all able to speak English, though they tend to segregate in certain localities in New England. In 1930, there were 517,000 Canadians in New England. There are almost two Canadians in that section to every Italian, or two for every native of Great Britain, almost four Canadians to every Pole, ten to every German and five to every Russian.

There were only 28,869 Canadians resident in the southern states in 1930. There were 194,405 in the west. California and other Pacific Coast states have quite large numbers of them.

Some Big Canadian Cities

It is shown by the Census Bureau figures that in 1930, 25 cities in the United States have a population of 5,000 or more Canadians. Detroit was the largest with 94,284, and in addition that city has a second generation Canadian population of 80,332, or a total of 174,616. Boston was the second largest Canadian city of the United States, with 45,558, and this would be immeasurably increased if natives of the Dominion living in that city's suburbs were included. The second generation Canadian population in the New England metropolis was 48,436, making a combined total of 93,994 of Dominion stock. New York City had 39,662 native Canadians and 37,740 of the second generation, a total of 77,537, while Los Angeles had 30,740 native Canadians and 28,890 of the second generation.

It is significant that of the eighteen "Canadian" cities of 50,000 population or over, four are in the United States as these figures show:

Montreal	818,577
Toronto	631,207
Vancouver	246,593
Winnipeg	218,785
*Detroit	174,616
Hamilton	155,547
Quebec	130,594
Ottawa	126,873
*Boston	93,994
Calgary	83,761
Edmonton	79,197
*New York	77,537
London	71,148
Windsor	63,108
Verdun	60,745
*Los Angeles	59,630
Halifax	59,275
Regina	53,209

* First and second generation Canadians resident in 1930.

Other Canadian Cities

Besides these cities, others to have a population of 5,000 or more natives of Canada are the following: Cambridge, Mass., a Boston suburb, 16,735; Camden, N.J., 9,254; Chicago, 29,831; Cleveland, 8,265; Fall River, Mass., 8,973; Flint, Mich., 6,837; Hartford, Conn., 5,771; Lowell, Mass., 10,169; Lynn, Mass., 9,727; Minneapolis, 6,731; New Bedford, Mass., 8,462; Oakland, Calif., 5,227; Providence, 8,351; St. Louis, 10,113; San Francisco, 9,601; Seattle, 15,745; Somerville, Mass., 10,069; Springfield, Mass., 7,194; Worcester, Mass., 9,146; Buffalo, N.Y., 18,735; Rochester, N.Y., 10,113.

Time of Movements

In general, the movement of migration from Canada to the United States has tended to occur opposite to the trend of migration to the United States generally. Thus 45 per cent of the French-Canadian and 37 per cent of other Canadians who left the Dominion for the United States came prior to 1900, or considerably above the average of 32 per cent for all nationalities. On the other hand, roughly 14 per cent of all Canadians here came in the decade from 1901 to 1910, against over 27 per cent for other nationalities. In the five years prior to the World War immigration in the United States was greater for people of other countries than for Canadians and in the entire decade from 1910 to 1920, there was a decrease in numbers of Canadians here. This is probably explained by the desire of Europeans to avoid the military training required in those countries and by the fact that in the period from 1910 on, Canada was opening her western lands to homesteading, attracting back her natives who had earlier moved to the United States, as well as attracting large numbers of natives of the United States.

Following the war, of course, came the immigration restrictions, which exempted Canada, and the exodus from the Dominion was then in greater proportions than from the rest of the world.

When French Moved Over

There is a considerable variation between the French and other Canadians as to the periods when the movements took place. In the end, however, the number of French-Canadians by 1930 amounted to but 40.8 per cent of the English or "other" Canadians as classified by the census, against over 49 per cent in 1900. In the decade from 1920 to 1930 the French-Canadian population of the United States gained 63,066 to a total of 370,852, or about 20 per cent, while the English-Canadians increased by 90,430 to a total of 907,569, or only about 11 per cent. In the decade from 1910 to 1920, the French-Canadian population of this country declined by 77,297, or 20.1 per cent, while the English-Canadian population decreased only 2,415, or .3 per cent. From 1900 to 1910, the number of French-Canadians declined by 10,043, or 2.5 per cent, while English-Canadian inhabitants gained in numbers by 34,758, or 4.4 per cent. From 1890 to 1900 the French emigration to this country increased by 92,630, or 30.6 per cent, while the English increased by 106,354, or 15.7 per cent. Prior to 1890 the census does not list separately French and other Canadians.

French Most Prolific

It is seen from these figures that from 1890 to 1900 the French-Canadian migration was at its greatest known height. This movement reversed itself in the two following decades, but in the ten years ending in 1930, there was again a gain in immigrants to the United States of French-Canadians. On the other hand, the migration of Canadians other than French took place relatively more steadily during the 40-year period, except for the decade from 1910 to 1920, when there was for that period as a whole a slight reversal of the movement.

For the 40 years as a whole, the French-Canadian population gained by 68,356, or 22.6 per cent, while the English-Canadian population gained by 229,127, or about 33.7 per cent. It is apparent that British or English-speaking Canadians have tended to migrate to the United States both more in actual numbers and relatively. Against this fact, however, must be set the fact that the French-Canadians have been more prolific than the English. This is indicated by the fact that the second generation French-Canadians in this country in 1930 totalled 735,307 against 1,323,617 for the English.

Work Starts Immediately on B. C. Elevator Addition

From Our Own Correspondent

VANCOUVER — Work on superstructure for No. 1 Harbor Board elevator addition, of 475,000 bushels storage, will be started immediately by the contracting firm of Carter, Halls, Aldinger Company, Vancouver, the successful tenderer. Tenders ranged from $93,000 to $113,000.

Ship Cherries From Nelson

Up to mid-August twenty straight carloads of cherries in addition to about ten cars of cherries in less than carload lots have been shipped from Nelson, this being the first time that this fruit has been shipped from Nelson in carload lots. Also a record movement of cherries, consisting of three straight carloads and a heavy L.C.L. movement was made from Cranbrook. In the period in question 190,000 pounds have been shipped.

NEW PRICE LIST FOR COTTON GOODS REVISED UPWARD

Dominion Textile Increases Values as Commodities Strengthen

From Our Own Correspondent

MONTREAL.—In issuing its new price list to the trade, Dominion Textile Co., for the first time in several years, will revise its prices upward. The upward move is a reflection of the recent strength in the raw cotton market, other textile companies are expected to follow suit.

For the past few years, following the continued drop of cotton prices, each list has had to be revised downward. In 1931 raw cotton continued its decline, falling from 11.30 cents to a low of 5.50 cents. Following after a short rally early this year when cotton touched 7.20 cents, prices dropped to a new low level of 5 cents. There has been a steady upward movement from this point and today raw cotton values are well over the 8 cent mark.

Mills at 60 Per Cent

Mills of Dominion Textile Co. are operating at about 60 per cent of capacity or the same rate reported at this time a year ago. Sales are approximating last year's levels; gross sales in the year ended March 31, 1932, were $13,854,636. Continued declines in prices have tended to lower profits, it is understood.

Though gross value of sales last year was 9.2 per cent lower than in the previous period, the company produced 1,661,000 more yards of grey cloth and processed through the Magog print works 4,300,000 yards more colored goods. The gross value reflected the lower prices in effect.

In addition to its strengthened inventory position, recent improvement in bond prices has likely brought about gains in the value of the company's investments which at the end of the last fiscal year totalled $5,324,433, including call loans.

In its last fiscal year Dominion Textile Co. earned the equivalent of $4.44 a share on its common stock on which dividends at the rate of $5 a share have been maintained. Payment of the dividend resulted in a deficit of $152,286 last year but a surplus of $7,363,266 was brought forward into the current

United Grain Growers Pays 5 p.c. Dividend

From Our Own Correspondent

WINNIPEG — Directors of United Grain Growers Ltd. have declared a dividend of 5 per cent on the $25 par value common shares, payable Sept. 1 to shareholders of record July 31. The dividend is for the fiscal year which ended July 31.

R. S. Law, president of the company, states that earnings in the past fiscal year have been sufficient to enable a satisfactory addition to surplus after payment of bond interest, provision for full depreciation and the dividend on the common stock. The 5 per cent dividend is the same as that paid Sept. 1, 1931. In 1930 a dividend of 6 per cent was paid and from 1923 to 1929 the rate was 8 per cent.

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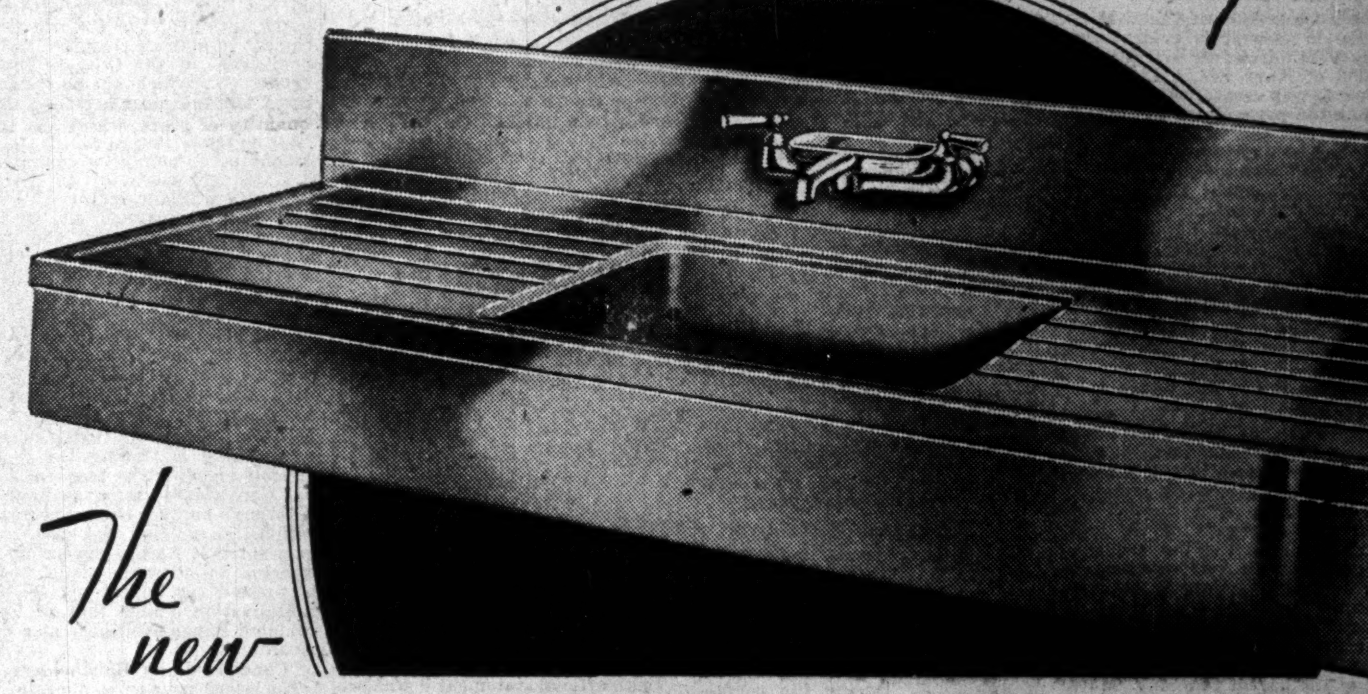

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Straitline Sink with Double Drainboard
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HERE is wonderful news for every woman who takes a real pride in her kitchen. The beauty, the rich lustre, the convenience and durability of a Monel Metal Sink are now within the reach of every family budget.

The "Straitline" Monel Metal Sinks, newly designed by The International Nickel Company of Canada Limited, will be manufactured in Canada by The Robert Mitchell Company of Canada Limited. At the new prices, the installation of one of these sinks in your kitchen will be a real economy. Because of their beauty of design, and the rich platinum-like lustre of the Monel Metal, these sinks add a note of beauty and refinement to any kitchen. The rich lustrous finish harmonizes with and reflects any color scheme. The heavy gauge Monel Metal is rust-proof, highly resistant to corrosion, easy to clean and keep clean. Because these sinks are solid metal clear through, there is no coating to chip, crack or wear off. They have much more working space than the ordinary sink, and are thoroughly sound-deadened.

Full information can be secured from your architect, builder or plumber.

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INCO NEWS
Interesting new uses of Nickel and Monel Metal in the various branches of Canadian Industry.

Food Service
The Provincial Glass Co. are constructing counter trim, vegetable racks, etc., for one of the stores of the Dominion Stores Chain in Toronto.
The soft lustre of Monel Metal is exceedingly attractive for show cases and store counters. Monel Metal is rust-proof. It resists corrosion and it is permanent as there is no coating or plating to chip, crack or wear off.

Canning Field
The Booth Coulter Coppersmithing Company are supplying a Steam-jacketed Monel Metal kettle for the Raymond Preserving Company of Montreal.
Monel Metal and pure Nickel have been used in the food processing industry for many years. They are the best materials commercially available for this purpose.

Architectural
George W. Reid Company of Montreal, completed an order for a number of Monel Metal mouldings and door panels for the new Imperial Oil Co. building at Sudbury, Ont.
In the new C.P.R. Park Avenue Station in Montreal, Monel Metal has been decoratively combined with bronze to very fine effect. Bronze predominates on the outside of the building and Monel Metal in the interior. Monel Metal is used for newsstand frames, for the ticket office, for radiator grilles and for many other services. Monel Metal is also extensively used in the restaurant and barber shop. The architectural and ornamental metal work was executed by The Robert Mitchell Company Limited.
In the kitchen of this new station all the equipment is of Monel Metal. This equipment was manufactured by General Steel Wares Limited.
Plans and specifications for this new station were prepared by the Architectural Department of the Canadian Pacific Railway.

Textile
The Belding-Corticelli Ltd. are reinforcing their dye tanks with Monel Metal tie-rods.
The Eastern Hosiery Co. of Truro, N.S., is using Monel Metal tubing for Dye Sticks.
Monel Metal is ideal for textile plants and dyehouses. It is highly resistant to acids, caustic solutions, dyestuffs, soaps, oils, etc., used in dyehouses. It is strong, tough and resistant to abrasion. It is easily cleaned to permit quick color changes, does not throw most colors off-shade, and enables quick and close color matching. Once installed, Monel Metal is practically permanent.

Power
Shawinigan Water and Power Company Limited use Monel Metal wire rope for handling sluice gates at the La Gabelle power plant.
Monel Metal is a very tough metal. It is rust-proof. It is highly resistant to both erosion and abrasion.

Utilities and Transportation

INTERNAT. HYDRO EARNINGS TO DATE AHEAD LAST YEAR

Income Statement Reflects Inclusion of New Properties

From Our Own Correspondent

MONTREAL.—International Hydro-Electric System, a division of International Paper and Power Co., reports consolidated earnings in the year ended June 30, 1932, before dividends on the class "A" stock amounting to $3.34 a share on the average number of shares outstanding during the period. This compared with $3.39 a share during the preceding period, returns being based on the same basis.

Gross revenue during the year totalled $64,823,115, as against $50,673,959 in the preceding twelve months. After deducting operating expenses, taxes and maintenance, net revenue totalled $35,740,905. This compares with $28,923,526 for the year ended June 30, 1931.

New Units Included

The increase in gross revenues reflect the acquisition of the North Boston Lighting Properties and of Green Mountain Power Corp. which have been included in the consolidated figures since July 1, 1931, and December 1, 1931, respectively. As gross revenues of these companies are approximately offset by their operating expenses, interest, dividends, etc., their acquisition has had comparatively little effect on the final balance added to consolidated surplus, the decline in which reflect largely the lower consumption of power for industrial purposes in the territories served by the New England Power subsidiaries. Earnings of the Canadian Hydro properties continue to show an improvement over last year.

Details of Income

Details of the income account for the year ended June 30, 1932, and 1931 follows:

Quarter End. June 30:	1932 $	1931 $
Gross revenue	15,425,260	12,378,540
Net rev.	8,595,311	7,336,013
Int., divds. & amounts app. to min. stocks of subs., etc.	7,017,268	5,665,586
Depreciation	1,229,445	1,047,828
Balance	348,598	622,599
Divds. on System stks.:		
Preferred	124,952	124,952
Class A	*	423,034
Balance to surplus	223,646	74,613
12 Mos. End. June 30:		
Gross revenue	64,823,115	50,673,960
Net rev.	35,740,905	28,923,527
Int., divds. & amounts app. to min. stocks of subs., etc.	27,640,456	21,430,892
Depreciation	4,735,970	4,196,093
Balance	3,364,479	3,296,542
Divds. on System stks.:		
Preferred	499,807	500,612
Class A	*1,286,700	1,651,273
Balance to surplus	1,577,972	1,144,657

*Unpaid cumulative dividends on the Class A stock from April 1, 1932, to June 30, 1932, amount to $429,098.

In the above statement income and expenses of Canadian subsidiaries have been taken at parity of exchange without adjustment between foreign and United States currencies. All profits and losses actually realized in transactions involving exchange have been included in the above results.

Finances Are Uppermost

In commenting upon returns as set forth in the interim report, Archibald R. Graustein, president, said that bank loans of New England Power Association and all subsidiaries now amount to $6,680,000, a 65 per cent reduction since the first of the year. The association is making progress on its plans to refinance the maturity of its $20,000,000 notes and the $7,500,000 North Boston Lighting Properties notes coming due in the latter part of this year.

Pending more definite improvement in business and completion of the plans for new financing, Mr. Graustein says that directors of International Hydro-Electric System feel that a conservative policy should be followed with respect to dividend disbursements on the class A stock, dividends on which are cumulative.

Anglo-Norwegian Fleet Laid Up Last Season

From Our Own Correspondent

MONTREAL. — Whaling fleets in which Anglo-Norwegian Holdings is interested were laid up for the season which closed early this summer, a factor which will likely find reflection in earnings for the year ended December 31. Over-production of whale oil throughout the world has been responsible for inactivity of the fleet; other large operators are reported as having kept their ships in port during the last season.

Anglo-Norwegian Holdings, whose shares are listed on the Montreal Curb Market, deferred payments on its common stock early this year to conserve cash for financing operations in the future. Earnings in 1931 were $313,178 compared with $561,223 in the previous year.

Payments on the preferred stock are maintained. Balance sheet at the end of last year showed a liquid position with current assets 33 times current liabilities.

Bell Telephone Shares Break Above Par Mark

From Our Own Correspondent

MONTREAL.—Breaking above par for the first time since April, shares of Bell Telephone have moved steadily upward from their low of 75 to current levels of around 107. The resumption of shares at level above par is noteworthy for the April break recorded the first time that the company's stock had sunk below 100 since 1921.

Previous to that year Bell Telephone shares had always been maintained with above par. Price tables back as far as 1900 show values anywhere from 10 to 80 points above the 100 mark.

Dividends were reduced from an annual basis of 8 per cent to 7 per cent in May this year. Earnings in 1931 were equal to $7.56 a share.

Independent Board Likely for Northwestern Power

From Our Own Correspondent

MONTREAL.—In a further circular letter sent out to bondholders of Northwestern Power Co., David N. Finnie and Co., which has been soliciting proxies independent of the official committee, state that bondholders are responding freely to their suggestion of organizing an independent committee.

It is further stated that a number of conferences have been held and expectations are that in a short time further information will be sent to the bondholders.

Electrical Energy Exports Show Marked Recession

From Our Own Correspondent

MONTREAL.—United States dependency upon Canada as a source of electrical energy is definitely on the downward trend, judging by figures on exports prepared by the Dominion Water Power Branch of the Department of the Interior. For the first half of this year exports were only 304,803,000 kw.h. If the trend of exports does not change in the next six months, exports for the full year will be less than at any time since 1920.

Records show that Canada reached a peak year in 1928 in respect to export, the United States taking 1,674,856,007 kw.h. Since then there has been a steady decline, becoming pronounced in 1931 and even more so this year, as is shown in the accompanying table.

Ontario, Quebec, New Brunswick and British Columbia are interested in the export of power, the Ontario Hydro-Electric Power Commission in particular being a heavy seller. During the past year the latter, together with the Canadian Niagara Power, Ontario and Minnesota Power and Detroit and Windsor Subway, exported around 823,700,000 kw.h. of energy. This compares with a total production for the province of 4,757,583,000 kw.h., or better than one-sixth of the total output.

EXPORTS OF ELECTRICAL ENERGY

	Kw.h.
1921	1,019,572,011
1922	861,574,793
1923	1,054,872,585
1924	1,400,231,340
1925	1,239,071,297
1926	1,359,843,753
1927	1,608,657,074
1928	1,674,856,007
1929	1,604,212,276
1930	1,619,602,712
1931	1,235,324,786
1932 (half-year)	340,808,000

N. S. POWER HOLDS HALF YEAR PROFIT AT 1931 LEVELS

Avon River Subsidiary Makes Gains in Six Months

From Our Own Correspondent

MONTREAL. — Though official figures have not been made public it is understood that earnings of Nova Scotia Light and Power Co. in the first six months of the current year closely approximated those of the corresponding period of 1931. Surplus after charges, it is reported, was practically identical with the figures of last year.

The ability of the company to maintain revenue during the current period may be attributed to its large commercial load. Industrial sales may be expected to have shown some decline but these have likely been offset by decreased operating expenses and sustained demand from residential and commercial sources. Nova Scotia Light has been active in widening the scope of its services through establishment of promotional rates, a factor which has stood it in good stead in past years.

No information on tramway operations is available. The general trend in urban transportation this year has been downward; in 1931 the company's Halifax tramways system showed a decline of nearly 1,000,000 in the number of passengers carried. Last year, 11,387,465 passengers were carried at an average fare which was lower than any year since the 5 cent fare was abandoned in 1920.

Bond Interest Earned

With the results of the first six months in view it is evident that interest requirements on the $4,264,500 of Nova Scotia Light and Power 5 per cent first mortgage bonds were covered for the period. In 1931 interest was earned 1.88 times after depreciation charges, though net earnings at $582,590 showed a decline of $30,000 compared with the previous year.

The common stock, of which there are issued 34,523 shares are widely distributed in Nova Scotia. In 1931 earnings after charges were equal to $3.77 a share against dividends paid of $4 a share. The disbursement has been maintained during the current year.

Avon Power Progresses

Avon River Power Co. whose system was consolidated with that of Nova Scotia Light and Power in 1930, is understood to be doing well. Earnings during the current year have tended to move upward and interest requirements on the company's bonds outstanding have been covered. Investment interest in this subsidiary is largely confined to its bonds.

Increased earnings have developed from the inter-connection of Avon River Power's system with that of the parent company. Much-needed power has been drawn from the subsidiary whose plants are located on the Avon and Gaspereaux Rivers. Avon River Power has not published a financial statement since its acquisition by Nova Scotia Light.

Frontenac Brick Co. Bondholders to Decide

From Our Own Correspondent

MONTREAL.—Bondholders of the Frontenac Brick Co. will meet in Montreal on the 15th of next month to pass upon certain proposed changes respecting the trust deed. Approval of the bondholders will be asked to cover the following changes: creation of a bond issue of $80,000, maturing in 15 years, interest at 6 per cent, with priority over present bond issue; (2) exchange of present bonds for income bonds redeemable in 10 years with interest at 6 per cent; (3) cancellation of the by-law requiring life insurance on the life of the manager and reduction in amount of fire insurance. Other changes, bearing upon those outlined, are to be voted upon by the bondholders.

Saint John Work Progresses

Expectations are that water will be allowed in the new coffer dam at West Saint John by October 1, making the gradual completion of four years of new construction work on piers, elevator, etc. Some 550,000 bags of cement have been used in connection with the project as well as 1,500,000 pounds of steel, while 1,000,000 cubic yards of earth have been removed and 470,000 cubic yards of rock.

Public Utility Earnings

Canadian National Railways

July:	1932 $	1931 $
Oper. rev.	11,602,457	14,807,474
Oper. exp.	10,849,023	14,471,855
Net revenue	753,433	335,618
Seven Months:		
Oper. rev.	81,790,275	103,083,100
Oper. exp.	78,628,167	101,418,446
Net revenue	3,162,107	1,664,653

Barcelona Traction

July	1932 Pesetas	1931 Pesetas	Increase Pesetas
Gross earn.	8,290,303	8,327,839	*37,536
Oper. exps.	2,990,121	2,760,607	229,514
Net earn.	5,300,182	5,567,232	*267,050
Aggre. gross from Jan. 1	64,553,069	63,066,159	1,486,910
Aggre. net from Jan. 1	43,207,618	41,552,900	1,654,718

*Decrease.

Bolivian Power Aided by Rise In Tin Prices

From Our Own Correspondent

MONTREAL.—Recent gains in spot prices for tin tend to improve the position of Bolivian Power Co., subsidiary of International Power Co. The national wealth of Bolivia is largely dependent on production of tin, and low values in the past year or two have depressed industrial activity in that country with a subsequent effect on the position of Bolivian Power Co.

In the past month spot prices for tin on the New York market have risen from 20.70 cents a pound to 23.50 cents a pound on August 25. London prices for spot have swung up from £124 a ton to £146 a ton in the same period. Bolivian Power Co. operates three hydro-electric plants with a total capacity of 11,000 horsepower. In addition the company operates the light, power, telephone and tramways system in La Paz, capital of Bolivia while it also serves the mining districts with power.

Public investment interest in the company is confined to an issue of $1,550,000 of 8 per cent first mortgage bonds.

NATIONAL SYSTEM PROFITS ADVANCE AS EXPENSES CUT

Net Operating Income for Seven Months More Than Doubled

From Our Own Correspondent

MONTREAL. — Marked change for the better has taken place in the operating income position of the Canadian National Railways during the past few months. Despite the lowering of gross income, the drop in operating expenses has been on a more substantial scale, with the result that an increasing operating surplus is being shown by the system.

During the past month the Canadian National Railways reported a gross operating revenue of $11,602,457. This was $3,205,017, or 21.64 per cent, less than that reported for July a year ago. Operating expenses, on the other hand, were cut $3,622,832 to $10,849,023, or a decline of 25.03 per cent. Net revenue of the System for July, 1932, consequently, totalled $753,433, a gain of $417,815 over that for the same month last year.

Net Income Greater

Cumulative returns reflect the considerable economies which have been put into effect this year. For the first seven months of 1932 gross revenue amounted to $81,790,275. Operating expenses aggregated $78,628,167, leaving a net income of $3,162,107. During the corresponding period of 1931 gross income amounted to $103,083,100, while expenses totalled $101,418,446, making for a net operating income of $1,664,653.

It will be noted that the decrease in operating revenue is $21,929,835 or 20.66 per cent, while the decrease in operating expenses is $22,790,279, or 22.47 per cent.

NEW IMPORT TAXES FOR NEWFOUNDLAND

Three Per Cent Surtax and Higher Tax on Dutiable Imports

Official notice has been received in Canada of changes in taxes on dutiable imports into Newfoundland which were put into force earlier in the year.

One of these is a surtax of 3 per cent levied on import duties, excise duties and taxes on imported goods, and which became effective as at May 1, 1932, and extends to June 30, 1933.

Taxes on dutiable imports (which are in addition to ordinary customs duties) are increased as follows:

	Former Rate	New Rate
On articles used in the manufacture of goods paying an excise duty	2½%	3¾%
On articles used in the manufacture of other goods	3%	4½%
On all other dutiable goods	5%	7½%

Goods exempt from this tax include: goods not subject to customs duty; goods exempted by act of the legislature from taxes, duties or other charges; goods in transit; coal and repair materials for paper and pulp mills; wheat flour; salt beef in barrels; salt pork in barrels; kerosene oil, refined petroleum and gasoline, and domestic coal imported into certain ports.

The taxes under this Act are levied on the cost of the imported goods, free on board, at the seaport of the country from which they are exported directly to Newfoundland.

Add to Vancouver Terminals

It is understood that sufficient storage will be added to the Columbia elevator at Vancouver to bring its storage capacity to half a million bushels. A contract has already been let for the construction of an additional 500,000 bushel storage at Harbor Board No. 1 elevator and also 1,000,000 additional storage to elevator No. 3, which is leased to the United Grain Growers.

C.P.R. Strengthened By 'Smelters' Rise

From Our Own Correspondent

MONTREAL. — Market strength in shares of Consolidated Mining and Smelting Co. of Canada has added $14,000,000 to the value of Canadian Pacific Railway's investment in that company as compared with the year's low point for Smelters stock. As at December 31, 1931, C. P. R. held 291,034 shares.

The railway's holdings in Smelters at levels of 75 have a total value of $21,827,550. This compares with a total of $7,275,850 when the mining company's stock was selling at 25, the low for the year and the figure at which C. P. R. carries its investment.

PAPER EXPORTS FROM CANADA DOWN IN JULY

Other Pulp and Paper Products Record Decline in Demand

From Our Own Correspondent

MONTREAL.—Exports of newsprint from Canada during July, according to a bulletin issued by the Dominion Bureau of Statistics, amounted to 2,635,607 cwt., valued at $6,289,600. This compares with 3,144,106 cwt., worth $8,223,891 for the same month a year ago.

The principal customers for Canadian newsprint last month were: United States, 2,272,957 cwt.; United Kingdom, 163,278 cwt.; Argentina, 46,946 cwt.; Japan, 32,700 cwt.; Australia, 30,797 cwt.; New Zealand, 23,090 cwt.; Cuba, 20,456 cwt.; British South Africa, 16,635 cwt.; Peru, 9,729 cwt.; Irish Free State, 9,231 cwt.

Pulp Exports Down

The export of woodpulp mechanically prepared in July amounted to 212,129 cwt. as compared with 196,557 cwt. in the same month last year. The British purchase was 126,111 cwt. and United States 92,018 cwt.

The export of woodpulp, sulphite bleached, was 282,575 cwt. compared with 480,043 cwt. a year ago. The importers were: United States, 199,686 cwt.; United Kingdom, 32,344; France, 22,480; Belgium 12,077; Japan, 5,252; Netherlands, 4,350.

Export of woodpulp, sulphate and kraft, was 62,955 cwt. compared with 62,955 cwt. a year ago, United States took 61,947 cwt.

The total export of woodpulp and screenings in July was 658,522 cwt., valued at $1,339,558, compared with 597,177 cwt. at $1,296,166 in June and 967,550 cwt. at $2,475,628 in July, 1931.

Britain Buys Book Paper

The entire Canadian export of book paper in July, amounting to 2,437 cwt., was purchased by British Empire countries. The purchasers were: United Kingdom, 757 cwt.; Australia, 575 cwt.; New Zealand, 492 cwt.; British South Africa, 372; Jamaica, 80 cwt.; British India, 76 cwt.; Newfoundland, 27 cwt.; Barbados, 25 cwt.

CANADA CEMENT OMIT DIVIDENDS ON SENIOR STOCK

Lower Plant Operations and Need of Keeping Liquid Decides Directors

From Our Own Correspondent

MONTREAL.—Holders of $20,965,400 of Canada Cement Co., preferred stock are affected by the announcement of the directors that the dividend, due September 30 next, will not be paid.

In an official statement it was set forth that operations this year have been on a considerably reduced scale due to the depressed conditions of the building trades. It is desirable meanwhile to conserve the liquid postion of the company and to that end preferred stock dividends are being ommitted.

Has Long Record

Since the present company came into being in 1927 the preferred stock dividend has been earned by a comfortable margin. For the first eleven months of operations, share earnings were equivalent to $6.64 as against dividends of $6.50 a share. In the three succeeding years earnings on the preferred ranged from $7.41 to $7.62 a share.

This is the first time in 22 years that Canada Cement has failed to pay dividends on its preferred stock. From 1910 to 1927 the old company regularly paid 7 per cent on its senior stock. The new company met the charges promptly up until this time.

Open Colborne Plant

No reference is made in the current statement as to earnings. The fact that plant operations have been considerably curtailed presupposes a corresponding drop in revenues. It is stated that all departments of the Port Colborne plant will re-open at the beginning of September, after being closed down for several months. The entire plant will be in operation about September 5, employment being given to several hundred workmen. Production will be stored in anticipation of the spring demands.

With the news of the passing of the dividend, the preferred stock broke 13 points to 75. It had been selling in the late 30's for some time.

Railway Earnings

Canadian National Railways

July:	1932 $	1931 $	Decrease $
Gr. rev.	11,602,456	14,807,474	3,205,018
Op. exp.	10,849,023	14,471,856	3,622,833
Net rev.	753,433	335,618	†417,815
7 Mos. Ended:			
Gr. rev.	81,790,275	103,083,100	21,292,825
Op. exp.	78,628,167	101,418,446	22,790,279
Net rev.	3,162,108	1,664,654	†1,497,454

†Increase.

UNTREATED EASTERN
CEDAR POLES
25 ft. to 50 ft.
ALFRED E. COWLING
Scotstown Que.

Solution of Newsprint Affairs Drawing Nearer

Developments Over Next Few Months Expected to Result in Steps Being Taken to Place Industry on Sounder Footing

From Our Own Correspondent

MONTREAL.—There is a lull in the affairs of the newsprint industry at the moment, but this is not expected to continue for any length of time, as in the next month or two matters are expected to come to a head.

For more than two years the industry has been struggling along under tremendous handicaps. Every effort has been made to keep the operators out of the bankruptcy courts. Numerous methods have been tried out to improve operating and financial positions, but the net results to date have been far from encouraging.

Some of the companies have been able to maintain their position in a satisfactory manner considering all that has transpired, but, on the other hand, their position is far from being enviable. Three of the principal operators have admitted their inability to carry on. The remainder while keeping their heads above the water, are probably as much in need of reorganization as the other.

Three Operators Give In

Of the three operators, whose position is now being studied by the bondholders, Price Bros. & Co. attracts the most interest inasmuch as its position is more involved. Lord Beaverbrook's withdrawal from the picture forced the creation of a committee to protect the interests of the bondholders. The personnel of this board has been made known unofficially, but, to date, no statement has been forthcoming.

The problems confronting this committee are no ordinary ones. One thing stands out, namely, that Lord Beaverbrook will be an important figure in any reorganization affecting Price Bros. In the first place he owns some 60,000 of the common shares of the company. Secondly, he purchased nearly one-quarter of the company's newsprint output. And, thirdly, he is in a position to increase his purchases to almost one-half of the total output.

Even though the English peer may not be directly represented on the bondholders' committee, there is no doubt but that he will have a very definite say as to what plan is put forward for the consideration of the creditors and bondholders.

Abitibi Faces Problems

Abitibi's bondholders' committee has issued a brief statement to the effect that conversations have been held with the senior executives of the company, The position of Abitibi has been largely strengthened by the action of the Ontario Government in making the offer to the bondholders of the Ontario Power Service Co., which should remove one of Abitibi's most pressing problems.

At the same time Abitibi is faced, like the other newsprint operators, with the seriousness of its operating position. Plant operations have been greatly curtailed due to the lack of newsprint orders and it is unlikely that earnings are fully covering prior charges as well as bond interest.

It is of interest to note that the old Canada Power and Paper Corp. with approximately the same newsprint capacity as Abitibi, was forced to scale down its capitalization to about one-half of that of Abitibi's. Even at that Consolidated Paper is finding the going difficult and there is frequent talk that Consolidated may yet have to go through another capital reorganization. That being the case, it is apparent that Abitibi can hardly be expected to struggle along under its present capital set up. With a capitalization double that of Consolidated Paper, Abitibi is at a disadvantage.

Contract Fails Bondholders

The other newsprint operator to throw its troubles on the shoulders of the bondholders is Lake St. John Power and Paper Co., controlled by St. Lawrence Paper Mills which in turn comes under the aegis of St. Lawrence Corp. This company was started only a few years back. A plant was erected at Dolbeau and financing was done on the strength that the company had a 10 year contract with the Hearst newsprint buying organization for its entire output. Despite what might on the surface be regarded as a strong marketing position, the directors of Lake St. John have notified the trustee that the company is not in a position to meet interest charges on its first mortgage bonds.

The only remaining newsprint operators in the Eastern Canadian field which are not now confronted with possible reorganization or foreclosure proceedings are Consolidated Paper, MacLaren Power and Paper, Mersey Paper, Spruce Falls Pulp and Paper, Ontario Paper and Canadian International Paper. The first named company has already gone through a process of reorganization, while Ontario Paper and Spruce Falls are not generally regarded as a public operator, their output being marketed with papers controlled by their owners.

Affect Merger Plans

Developments in connection with Lake St. John, Abitibi and Price Bros. and Co. all have a bearing on the bankers' plans for a merger of the leading Canadian operators. It has always been understood that the companies under consideration in the proposed amalgamation included the three mentioned above, Consolidated Paper, MacLaren Power and Paper, Mersey Paper and the Canadian and Newfoundland properties of Canadian International Paper.

Recently there has been no announcement of the progress made by the so-called Beatty Committee on the merger plans. It is known that the committee has made substantial headway in collating facts and figures on operations, physical assets, etc., but no concrete plan of amalgamation has been drawn up.

Lack of Co-operation

In the past the difficulty of getting any co-operative action among the manufacturers has been due to the differences of opinion existing between the controlling interests. With the bondholders in control of some of the properties and the banks in a dominant position respecting policies of a number of others, it is to be expected that when the merger plans are again tabled, considerably more progress will be made than has been the case in the past.

Operating Position Bad

Meanwhile the operating position of the Canadian newsprint industry has gone from bad to worse. There is no need to further comment upon the well-known fact that the capacity of the Canadian newsprint plants is far in excess of requirements for the next half dozen years. Operations have been of late averaging less than 50 per cent of capacity. July figures on production and shipments while representing a seasonal decline, did not hold out any hope for any marked upward movement in the near future.

Judging by results for the first seven months of the year and prospects for the balance of the year, production and shipments for 1932 are likely to be about the same, or probably even a little less, than those reported for 1927.

Build on New Basis

It is more or less freely admitted by operating heads of the industry and outside observers that for some time to come newsprint operators must be content with a much smaller volume of business than that which prevailed in 1929. As pointed out in these columns on more than one occasion and lately confirmed from several reliable sources, it is hardly possible for the present lag between supply and demand will be taken up before 1940. This date is based on a maximum normal increase in demand. Other authorities have even gone so far as to say that consumption will not reach the present maximum capacity of output until 1945.

Development may occur, of course, which would put these estimates at naught. At the same time, however, the fact to be faced is that the Canadian newsprint industry cannot expect to be operating at 80 or 90 per cent of capacity for several years under normal circumstances.

Readjust Capital Downward

In any plan of reorganization, or readjustment of the position of the industry, therefore, capitalization will have to be in line with the normal expectancy of increase in demand. It is a matter of individual opinion as to how quickly consumption will increase. One fact stands out, however, and that is the absolute necessity of bringing the capitalization of the industry down to a point where it is more nearly in line with actual and potential earning power based upon the change in conditions.

Use Cellophane For Protecting Fruit Baskets

From Our Own Correspondent

MONTREAL.—A new outlet for sales of Canadian Industries Cellophane division is seen in development of a Cellophane cover for fruit baskets. In the past, fruit in baskets has been protected by a netting which, though serving a purpose, has not protected the contents from dust.

The movement of fruit in Canada is large, protected baskets of peaches from the Niagara district especially indicate a field where Cellophane might be used. In addition to providing transparency the covering would supply a dust proof feature.

Demand for Cellophane produced by the new Canadian Industries unit at Shawinigan Falls has necessitated installation of a second machine since completion of the plant in June this year. One machine is reported working at capacity with the other being used as a stand-by. Orders for the Christmas season are understood to be proving satisfactory.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
Murray Bay, Que. Sault Ste. Marie, Ont.
Beaupre, Que. Iroquois Falls, Ont.
Sturgeon Falls, Ont. Smooth Rock Falls, Ont.
Espanola, Ont. Fort William, Ont.
Pine Falls, Manitoba
Daily Capacity 2200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

To the Holders of Bonds of
MONTREAL ISLAND POWER COMPANY
NOTICE is hereby given that the undersigned have entered into an agreement with Montreal Light, Heat and Power Consolidated whereby the latter Company offers, subject to the terms and conditions set out in said agreement, to exchange for bonds of Montreal Island Power Company, the 5% First Refunding and Collateral Trust Sinking Fund Gold Bonds, Series B, due March 1st, 1970, of Montreal Light, Heat and Power Consolidated on the basis of $100 principal amount of such bonds of the Company for $100 principal amount of bonds of Montreal Island Power Company, plus the sum of $2.56 in cash.
Copies of our circular letter setting out the details, terms and conditions of the offer will be furnished upon request.
NESBITT, THOMSON and Company Limited
355 St. James Street West, Montreal
Quebec Ottawa Toronto Hamilton London, Ont. Winnipeg Saskatoon Calgary Victoria Vancouver

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News of Investment Markets

CONTINUED RISE IN BOND PRICES IS HOPEFUL SIGN

Appreciation in Past Two Months is Almost Without Precedent

AIDS NEW FINANCING

Dealers Expect Continued Upward Trend Although Temporary Reactions May Occur

Since early in July bond prices have continually strengthened both in Canada and the United States to an extent that is without precedent since the rise of 1921 and 1922. Retail prices of Canadian high grade issues have moved from a yield basis of some 5.33 per cent to a point where yields average 4.75 per cent and close students of the bond market feel that the gains made will be retained and that there is a distinct possibility of further price appreciation during the coming months.

Not only have high grade bonds moved materially higher but the better class of corporation bonds have also moved up to a large extent and such issues as the Bell Telephone 5's of 1957 are subject to bids by dealers of around 107½ with little supply available. B. A. Oil 5's of 1945 have moved up approximately 6 points since early in July and Canada Cement 5½'s in 1947 have moved up 12 points, C. P. R. 4½'s of 944 are up 16 points and the Gatineau 5's in 1956 are up 17½ points. Ottawa Valley 5½'s, 1970 show a 15 point gain and Shawinigan Power 5's of 1970 are up 11 points. While appreciation in these Canadian issues is in line with improved prices on Government bonds the substantial gains that have been made are due in part to the fact that there are relatively few offerings of high grade corporation issues and also to the fact that quotations early in July were definitely out of line with actual values of the various securities.

Add to Corporate Assets

The importance of such an appreciation in prices may be fully understood when it is considered that large holdings of both Government and corporation bonds are carried by all classes of insurance companies, banks, trust and loan companies and industrial corporations. In the past two years conservative industrial companies have written down their bond investments to current market prices or have set up substantial reserves for losses on investments although these losses in many cases were not realized because companies were under no necessity to sell their bonds. Even on the basis of present bond prices the balance sheets of such companies as Ford of Canada, Goodyear Tire & Rubber, Ogilvie Flour, Laura Secord and other companies with substantial investments in bonds will show substantial improvement.

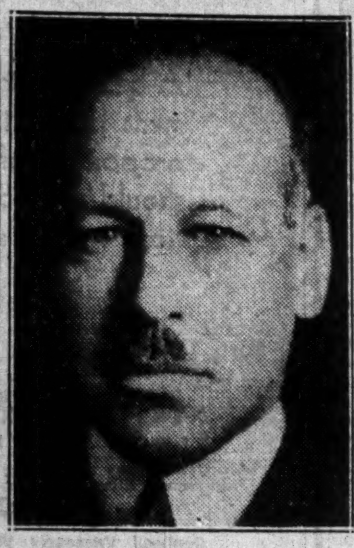
Movements of the bond market of the United States are represented in the Dow-Jones average of the 40 corporation bonds. These 40 bonds were selling at an average price of under 69½ during the first week in July and rose continuously to approximately 75¼ by the first of August and have continued to increase until the average is now well above 81. This increase has had a most beneficial effect on the banking situation in the United States and is effected in some degree by return of confidence in United States banks which eventually will be translated to terms of increased deposits. This trend is already noticeable in some degree and eventually may be expected to result in increased industrial production, additional employment and return to more normal business conditions.

Averages Indicate Gains

From August 5 to August 17 the Dow-Jones average of forty bonds increased from 75.82 to 82.10. The average price of 10 high grade railroad bonds increased in the same period from 84.27 to 87.95; of 10 second grade railroad bonds the average prices being 61.26 to 70.41; of ten public utilities increase was from 88.25 to 90.36 and 10 industrials increased from 69.42 to 79.72. Through the current movement railroad bonds have been a strong factor in the market due in large part to belief that the railroads in the United States have passed the worst period of the depression and stand in some cases as benefitting considerably by the substantial wheat crop. Through loans to the railroads supplied by the Reconstruction Finance Corp. the rails have been aided to a more sound position.

With improved prices investors, both institutional and private, will be more inclined to place their funds in sound investment securities and the difficulty of financing Canadian government and municipalities during the remainder of the year, while still present, is greatly diminished. In the past few weeks it has become increasingly evident that the Dominion stands a very good chance of financing this autumn in either Canada, London or New York. Federal needs approximate $200,000,000 and it would appear at the present time that the Dominion might be able to secure all of this amount without recourse to the domestic market. If this is the case the Canadian market will be free to absorb the small amount of provincial financing and fairly substantial amount of municipal financing that must be done and still have some to spare for public utilities and other corporate financing which may be placed next spring.

Gets Nomination



E. GERALD HANSON
Of Hanson Bros., Inc., Montreal, has been nominated to the Board of Governors of the Investment Bankers' Association of America for a two-year term. His election at the annual meeting in October is believed to be assured.

CANADIAN HYDRO SECOND QUARTER EARNINGS AHEAD

Balance Sheet Position Improved at End of June

From Our Own Correspondent

MONTREAL. — Both earnings and balance sheet position of Canadian Hydro Electric Corp. have undergone a steady improvement since the beginning of the year. At the end of June the company showed no bank loans on its balance sheet, while the cash position was very satisfactory. All the credits advanced to International Paper and Power Co. have been cleared up, while the company has no maturities to meet until 1941. This applies also to subsidiaries.

Consolidated net revenue for the second quarter of 1932, after deducting all prior charges and available for dividends, amounted to $762,180. This compares with $480,535 for the corresponding period of 1931. Balance added to surplus in the second quarter this year, after dividends on the first preferred stock, was $574,680, as against $293,035 in the same quarter last year.

Larger Surplus Forward

Particulars of income for the second quarters of 1932 and 1931 follow:

Quarter Ended June 30

	1932 $	1931 $
Gross revenue	2,351,536	2,261,694
Profit on exchange	125,669	......
Profit on bonds and debent. redeemed	54,306	......
Total gross revenue	2,531,511	2,261,694
Net	2,172,904	1,938,477
Int., amort. of disc., div. on pref. stock of subs.	1,262,681	1,259,259
Dep. and amort. storage works	148,043	198,683
Balance	762,180	480,535
Divds. on first pref. stock	187,500	187,500
Balance	574,680	293,035

$21.97 on Preferred

For the twelve months ended June 30 last consolidated revenue available for dividends was $2,746,525, or $21.97 per share on the first preferred stock. This compares with $2,044,076 or $16.53 a share in the twelve months ended June 30, 1931.

Details of the consolidated income statements for the twelve months period follow:

Twelve Months Ended June 30

	1932 $	1931 $
Gross revenue	9,448,679	8,826,433
Profit on exchange	368,730	......
Profit on bonds and debent. redeemed	107,423	31,326
Total gross revenue	9,924,832	8,857,759
Net	8,401,837	7,523,947
Int., amort. of disc., div. on pref. stock of subs.	5,068,949	4,745,989
Dep. and amort. storage works	586,363	733,882
Balance	2,746,525	2,044,076
Divds. on first pref. stock	750,000	750,000
Balance	1,996,525	1,294,076

When United States funds went to a premium in 1931 Canadian Hydro had a credit balance with International Paper and Power which has since been paid by that company in United States funds and used to meet interest payments. This credit was exhausted at June 30, 1932. Beginning with July, therefore, the small profit represented by the premium on United States funds will be eliminated and there will be a loss averaging about $15,000 a month based on present rates of exchange representing the cost of acquiring the balance of American funds needed for the payment of interest and sinking fund.

QUEBEC 'PHONE SHAREHOLDERS OFFERED BONDS

Proceeds Will be Used to Improve Working Capital

From Our Own Correspondent

MONTREAL.—With a view to strengthening its working capital position, Quebec Telephone and Power Corp. is making an offering of $200,000 6 per cent first lien collateral trust bonds.

At the end of last year the company showed an adverse working capital position of $136,906. This was largely due to bank loans aggregating $174,147. It is in order to clean up these loans and to give the company a favorable working capital position that the present financing is being undertaken.

The bonds are being offered directly by the company to the shareholders. This course was decided upon in view of the present unstable market conditions, which make it difficult to carry out any form of corporate financing. The shareholders are being asked to take up this issue, the suggestion being made that they subscribe for the bonds in ratio of one $50 bond for each 33 shares of either class A or B stock.

Particulars of the issue follow:

$200,000
Quebec Telephone and Power
1st Lien Collateral Trust Gold Bonds
6 per cent, seriec C

Dated: Jan. 1, 1932. Due: Jan. 1, 1937.

Company: Holding concern, which through subsidiaries, does a telephone business serving a population of some 350,000 along the south shore of the St. Lawrence River, from a point west of Levis down to Gaspé County. Number of telephones installed at end of 1931, 4,019.

Purpose of Issue: Proceeds will be used to repay bank loans and provide additional working capital.

Security: Secured by hypothec and mortgage on all assets of the corporation.

Assets: Total assets amount to more than $1,600,000. Against a total bonded debt of $445,400 outstanding after this financing, the corporation has a cash investment in plant, equipment and properties totalling $1,368,000.

Earnings: Earnings available for bond interest and depreciation in 1931 amounted to $80,289. After deducting interest on underlying bonds, earnings available for interest and depreciation amounted to $72,665.

Offer: Direct to shareholders at 90 to yield approximately 8.75 per cent.

Large Hotels See Some Sign Of Improvement

Experience of Toronto and Montreal hotels has been similar this summer with tourist trode approximately 20 per cent lower than in 1931 although some improvement has been experienced during recent weeks in August due possibly to improved sentiment arising from appreciation in security prices. July business was the lowest recorded in that month for years. Business in the first quarter of 1932 was some 12 per cent under that of the same period in 1931. Conventions that have come to the city have spent but 60 per cent of what would have been spent in a more normal year.

Reduced revenues have been met in part by drastic reduction in operating costs. While services have been maintained at the usual state of efficiency many savings have been accomplished. To some extent existing conditions have aided the hotels through the fact that patrons who would normally spend their holidays in other cities have remained at home. Exchange rates have turned the attention of a number of Canadian tourists away from the United States and toward the Canadian West and hotels in Victoria and Vancouver are understood to have benefitted in some degree.

One prominent hotel man in Toronto states that enquiries regarding showroom space have increased and this is taken as a favorable indication of improved business. Business firms are stated to be interested in securing rooms in which their products can be displayed to merchants within a large radius of Toronto. These enquiries, it is felt, may indicate a return of commercial business that has been on the wane for the past two years.

July Coal Output 43.5 p.c. Below Average

Canadian coal output during July amounted to 652,587 tons, a 43.5 per cent falling off from the average for the month during the past five years of 1,155,640 tons. This decline was general in all producing provinces except New Brunswick. Bituminous coal production in July totalled 577,644 tons, sub-bituminous coal, 16,541 tons, and lignite coal, 58,402 tons.

Nova Scotia mines produced 307,282 tons or 22.5 per cent below the July, 1931, total of 396,284 tons. Alberta's output was 197,590 tons as compared with 267,268 tons in the corresponding month of last year. This decrease was made up as follows: Bituminous coal 15.7 per cent, sub-bituminous coal 62.3 per cent and lignite coal 28.6 per cent.

Production of coke in Canada during July amounted to 127,168 tons, a gain of 7 per cent over the 118,719 tons of June and the first advance in four months. Output in the eastern provinces rose to 33,678 tons from 30,314 tons and Ontario to 83,226 tons from 77,600 tons.

Pacific Mills Adding Addition to Coast Plant

From Our Own Correspondent

MONTREAL.—Contract for the construction of an addition to the Vancouver plant of Pacific Mills has been awarded to Archibald Sullivan. The company manufactures paper products and the new addition will be used to turn out solid fibre containers.

Work will be started immediately on the structure, which is estimated to cost $27,000 and on completion machinery costing approximately $100,000 will be installed.

Textile Investors Await Details on Trade Pact Drawn up at Conference

Holders of $47,670,000 of Securities Are Interested

NO RADICAL CHANGE

Concessions Are Expected But Position of Industry Will Not be Unduly Affected

From Our Own Correspondent

MONTREAL.—Investors' interest in the Canadian cotton manufacturing industry is largely concerned with the effect of the new trade agreements with United Kingdom on the earning powers of the several large domestic concerns whose bonds and shares are widely held throughout the country. Taking the seven principal concerns, and their subsidiaries, which substantially comprise the Canadian cotton cloth and yarn manufacturing industry, there is an outstanding capital liability in the form of bonds, debentures, preferred and common shares amounting to $47,676,143, which is held almost exclusively by Canadian shareholders.

Leaders in the industry here are still in the dark as to the actual changes in tariff rates embodied in the agreement with Great Britain, but there is a reassurring note of confidence that no serious dislocation of the industry's position is involved.

Expect Larger Imports

It is stated that the changes will involve certain readjustments and that the Canadian concessions should result in a substantial increase in importations of manufactured cotton yarns and fabrics from United Kingdom. But it is felt also that the measures to be taken to ensure increase of British trade with Canada in cotton goods will go further to regulate "dumping" of goods from other foreign markets, chiefly United States, and that the net result will be equally advantageous to domestic mills. Naturally, cotton mill executives are awaiting the detailed announcement of the exact terms of the agreement with great interest.

Degree of Protection

Contrary to somewhat popular conception, Canadian cotton manufacturers claim that their "protection" against competition from British manufacturers under existing tariff rates and taxation on importations is lower than before the present tariffs came into effect two years ago. The specific duty of 2.7c. per pound on imports from Britain is more than offset by the decline in basic values which obviously has lowered the "protection" afforded by the ad valorem or percentage rates of duty. In an official statement issued by the industry it is shown that the net "protection" afforded to the Canadian cotton industry by the British preferential tariff on white piece goods in cents per pound in 1932 amounted to 10.71c. against 12.2c. in 1928; on print goods it amounted to 13.86c. per pound in 1932 against 17.79c. in 1928; on piece dyed goods it amounted to 12.67c. per pound in 1932 against 16.89c. per pound in 1928; and on yarn dyed goods it amounted to 13.33c. per pound in 1932 against 17.5c. per pound in 1928. This "protection" barely covers the difference in manufacturing margins shown in official lists as between Canada and Great Britain.

Increased taxation has been imposed on importations during the past two years, necessitated by national emergency and abnormal trade conditions. But this additional taxation, including the sales tax, bears with equal burden on the costs of domestic production. The sales tax applies on the selling prices of Canadian produce to practically the same degree as it applies on the landed, duty-paid value of importations. The excise tax of 3 per cent on importations applies equally on all imports of raw materials and supplies, and the slight difference between its application on such materials as compared with its application on imports of manufactured goods is, in the case of imports from Great Britain, more than offset by the favorable differential to importers in exchange regulations.

This additional taxation increases the percentage duties on valuation of imports, but if excise tax and currency duty are omitted, as pointed out above, and the drastic decline in goods values is considered, no added "protection" is afforded domestic producers by virtue of the specific rates. Actual tariff rates per yard or per pound value of textile goods now being imported from Great Britain, which constitute the only real measure of "protection" to domestic mills, are lower than two or three years ago.

Profit Margin Important

These taxation and customs measures have little, if any, relation to the question of consumer or retail prices for textiles in this market. As a matter of fact, with Canadian textile mills now supplying a larger share of market requirements, compared to conditions in 1930, primary mill prices on the very large range of staple cottons, manufactured in Canada have dropped appreciably more than the relative decline in raw material prices during the period.

On the great proportion of imported textiles, price and retail profit-margins are the chief consideration. This question of "profit-margin" is, therefore, one of the most important factors in the present situation so far as importers and retailers are concerned. It is obvious that with the steadily declining commodity and wholesale price levels, the importer, converter and retailer, faced also with a reduced volume of trade, has been compelled either to seek a larger mark-up on his purchases for resale or to effect a substantial reduction in his costs of converting and merchandising. As the latter condition has been very difficult to bring about, these interests have scoured foreign markets for goods manufactured and sold under distress conditions to permit of resale in Canada at greater profit margins.

The steadily lowering tendency of retail prices on textiles and clothing in this market, however, has been due almost entirely to the influence of domestic primary producers. The larger volume of business accruing to Canadian mills and the more stable conditions existing in this market as result of the tariff action of 1930 and subsequently, have achieved the desired and anticipated result of lowering domestic production costs. These savings have been passed on to the public. Few, if any, Canadian textile mills are showing profits on current operations.

Canadian Car Co. War Claim Alive

From Our Own Correspondent

MONTREAL. — Upward movement in the value of Canadian Car and Foundry stock this week is attributed to the re-opening of the company's claim for damages before the Mixed Claims Commission in the United States. The case is expected to be re-opened about the beginning of November.

The plant of the Agency of Canadian Car at Kingsland, N.J., was destroyed by fire and explosion in 1917, allegedly due to the work of German sabotage organizations. A claim of $11,000,000 was entered against Germany by the company. At one time a settlement was reached for $6,500,000, but before a decision could be given, the judge then presiding died and a new trial was ordered. The claim was dismissed in November, 1930, but due to the finding of additional evidence will be re-opened.

Obituary

Silas Richard Parsons, chairman of the board of British-American Oil Co., died at his home in Toronto on August 27 at the age of 78 years. A director of the Union Trust Co. and the Canadian Fire Insurance Co., Mr. Parsons was a leading industrialist for many years and a former president of the Canadian Manufacturers' Association.

Syndicate Sell at Par City of Three Rivers Bonds

From Our Own Correspondent

MONTREAL.—Banque Canadienne Nationale head a syndicate offering $770,500 City of Three Rivers 6 per cent serial bonds maturing between November 1, 1932, and November 1, 1947, at a price of 100 and accrued interest, to yield 6 per cent. The syndicate comprises A. E. Ames and Co., Dominion Securities Corp., L. G. Beaubien and Co., Rene T. Leclerc Inc., W. C. Pitfield and Co., Ernest Savard Lte., and Wood, Gundy and Co.

These bonds are a direct obligation of the city and are issued for various municipal works, part of which are for the relief of unemployment and other municipal purposes.

Bond Sales

TOWN OF CORNWALL, ONT.

Dyment, Anderson & Co. has been awarded $70,125 5½ per cent 20-installment debentures of the Town of Cornwall, Ont. at 98.21. Bids for the issue are reported as follows:

1. Dyment, Anderson & Co. 98.21
2. Dominion Securities Corp. 98.179
3. H. R. Bain & Co. 98.175
4. Bell, Gouinlock & Co. 97.59
5. R. A. Daly & Co. 97.293
6. C. H. Burgess & Co. 97.27
7. Wood, Gundy & Co. 97.19
8. Stewart, Scully & Co. 97.072
9. Gairdner & Co. 96.81
10. J. L. Graham & Co. 96.417
11. Cochrane, Murray & Co. 96.377
12. Goulding, Bulmer & Scott 96.217
13. A. E. Ames & Co. 96.17
14. Rogers, Punchard & Lynch 96.02
15. Harris, MacKeen & Co. 95.52

THREE RIVERS, QUEBEC

A co-operative group consisting of A. E. Ames & Co., L. G. Beaubien & Co., Dominion Securities Corp., Rene T. Leclerc Inc., W. C. Pitfield & Co., Ernest Savard Ltd. and Wood, Gundy & Co. is offering $770,000 of 6 per cent serial debentures of the City of Three Rivers, Quebec, at par. The bonds are in denominations of $100, $500 and $1,000 with interest payable semi-annually, May and November 1, in Canadian currency.

WESTON, ONT.

Wood, Gundy & Co. has been awarded $38,672 6½ per cent 20-installment debentures of the Town of Weston, Ont. at par. The debentures are being offered to yield 6½ per cent.

NORTH BAY, ONT.

McLeod, Young, Weir & Co. has been awarded $380,035 6½ per cent debentures of North Bay, Ont. at 96. Maturities include $20,000 due in 10 installments; $315,535 due in 20 installments and $44,500 due in 30 installments.

Bond Tenders

Sept. 6—Village of Gatineau Point—$20,000, 6 per cent, 20-year serial bonds. Y. Fortin, sec.-treas.

Sept. 12—School Commissioners of Mount Royal—$45,000, 6 per cent, 7-year serial bonds. M. L. Roy, sec.-treas.

5 o'clock, Sept. 6, Buckingham, Que.—$25,000, 6 per cent serial bonds dated July 1, 1932, from 1 to 40 years, for installation of water pipe to supply the Village of Masson with water. H. J. Gorman, sec.-treas.

Noon, Sept. 6, Village of Pointe-Gatineau, Que.—$20,000, 6 per cent bonds dated Sept. 1, 1932, redeemable serially from July 1, 1933 to July 1, 1952. Payable at Banque Can. Nationale at Montreal or Pointe-Gatineau. Yves Fortin, sec.-treas.

8 p.m., Sept. 12, Municipality of Mont-Royal School Commissioners — $45,000, 6 per cent bonds dated June 1, 1932, redeemable serially from June 1, 1933 to June 1, 1939. Payable at Royal Bank at Montreal or Mont-Royal. M. L. Roy, sec.-treas.

RUMORS ABOUND ON CONTENTS OF RAILWAY REPORT

No Official News Available — New York Buys C. P. R.—London Sells

From Our Own Correspondent

MONTREAL. — Many rumors are going the rounds as to what the Duff Commission will say in its report on the railways, but to date there has been no official information. One story which gained wide credence was that the Canadian National and Canadian Pacific railway operations would be on a much closer working basis and that the Dominion would guarantee a return to the Canadian Pacific stockholders. This may be the case, but at the moment it is all guess work.

The Commission is understood to have drawn up a rough schedule of the contents and recommendations to be included in the report. Expectations now are that the report will be handed in to the government within a few weeks. It is confidently expected that the report will be available before or at the next sitting of parliament, which is expected to be called some time in October.

Deal With Finances

One report of the contents of the report, which appears to be closer to the truth than others which have gone before, is that the Duff Commission will deal more with the financial features of the railway situation, than with the operating side. It is generally conceded that the railways have already gone a long way toward bringing about more economical operations, such as the elimination of duplicate services, etc., and that not a great deal more can be done in that direction except through actual amalgamation.

Further it is said that the Duff Commission will propose a supreme tribunal for the railways, consisting of three members better versed in finance than in railway operations. Sir Joseph Flavelle has been frequently mentioned for this board.

Move in C. P. R. Stock

The uncertainty over the contents of the report, however, has made possible a greater speculative interest in Canadian Pacific shares. One New York house broadcast the story of the government guaranteeing a fixed dividend. Its purchases, as well as those of arbitrage operators, are generally conceded to have been the cause for the recent advance in the value of the shares. Last week London was selling freely to New York.

Building Slump Reflected In Cement Production

Shipments from Canadian cement plants during 1931 totalled 10,161,658 barrels valued at $15,826,243 as compared with 11,032,538 barrels worth $17,713,067 in 1930.

Cement was produced in 1931 at plants located in Quebec, Ontario, Manitoba, Alberta and British Columbia. Quebec mills produced 49 per cent of the total Canadian shipments and Ontario 34 per cent.

Imports of Portland cement into Canada during 1931 amounted to 38,392 barrels (estimated at 350 pounds each) averaging $3.74 per barrel as against 143,436 barrels averaging $3.97 in 1930. Exports of Portland cement were recorded at 114,064 barrels valued at $124,267 as compared with 198,736 barrels worth $212,071 in 1930. Cement made available for consumption in Canada amounted to 10,085,986 barrels in 1931.

The selling prices in 1931, f. o. b. Canadian works, were: High, $2.60 per barrel, and low, $1.28 per barrel.

Public Utility Earnings

Canadian Pacific Railway

	July, 1932 $	July, 1931 $
Gross earn.	9,669,343.36	12,183,395.64
Working exp.	8,809,634.91	10,450,163.41
Net earnings	859,708.45	1,733,232.23
From Jan. 1:	1932	1931
Gross earn.	67,714,642.81	84,493,732.16
Net earnings	6,111,387.72	8,539,691.33

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New Issue
$770,500
CITY OF THREE RIVERS
6% Serial Bonds
due on November 1st in the following years:
$ 45,500—1932 to 1936 $ 39,000—1938 to 1941 $ 22,500—1943 to 1946
181,000—1937 240,000—1942 242,500—1947
Principal and half-yearly interest (May 1st and November 1st) payable in lawful money of Canada, at the principal office of Banque Canadienne Nationale in Montreal, Quebec or Three Rivers, at holder's option. Denominations: $100, $500 and $1000. Bonds may be registered as to principal.
Legal opinion: Messrs. Laurendeau & Laurendeau, Barristers.
These bonds are a direct obligation of the City of Three Rivers and are issued for various municipal works, part of which for the relief of unemployment, and other municipal purposes.
The City of Three Rivers has a population of about 40,000. Several important industries are located in the City, including St. Lawrence Paper Mills, Ltd.; Canada Power & Paper Company; Wayagamack Pulp & Paper Company; Wabasso Cotton Company, Ltd.; Canadian International Paper Company, Ltd.; Canada Iron Foundries, Ltd. The City is served by the Canadian Pacific Railway Company. Its harbour has adequate facilities to accommodate the largest ocean-going vessels. It is the second oldest city in Canada.
We offer these bonds as, if and when issued and accepted by us subject to approval of Counsel.
It is expected that bonds will be ready on or about September 30, 1932.
PRICE: 100 and accrued interest, to yield 6%
A. E. Ames & Co. Ltd. Dominion Securities Corporation Ltd.
L. G. Beaubien & Cie, Ltée René-T. Leclerc, Inc. W. C. Pitfield & Company
Ernest Savard, Limitée Wood, Gundy & Co. Ltd.
and
BANQUE CANADIENNE NATIONALE
Bankers and Financial Agent of the City of Three Rivers
Statements contained herein are based on information which we believe to be reliable, but are in no event to be construed as representations by us.

Ontario Municipal Bonds
To Yield 5.80% to 6.12%

Security	Rate %	Maturity	Yield %
Township of East Whitby	6	1933–1942	5.80
Village of Forest Hill	6	1933–1947	6.00
Town of Almonte	6	1933–1962	6.10
Town of Weston	6½	1933–1951	6.12

Descriptive circulars will be gladly forwarded upon request.
Wood, Gundy & Company Limited
Toronto Montreal Winnipeg
Vancouver New York London, Eng.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	—Sold To—	Rate	Maturity	Amount	Price	Basis
Three Rivers, Que.	Aug.	A. E. Ames & Co., Rene T. Leclerc, W. C. Pitfield & Co., Ernest Savard, Wood, Gundy & Co., L. G. Beaubien & Co., Dominion Securities	6%	Serial	$770,000	*100	6%
Weston, Ont.	Aug.	Wood, Gundy & Co.	6½%	20-ins.	38,672	100	6½%
North Bay, Ont.	Aug.	McLeod, Young, Weir & Co.	6½%	10-ins. / 20-ins. / 30-ins.	20,000 / 315,535 / 44,500	96.00	
Cornwall, Ont.	Aug.	Dyment, Anderson & Co.	5½%	20-ins.	70,125	98.21	...

*Offering price.

THE FINANCIAL POST

Member Audit Bureau of Circulations

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Vice-President—HORACE T. HUNTER
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TORONTO, SEPTEMBER 3, 1932

TOO MUCH HIGH FINANCE BAD FOR BUSINESS

RECENTLY the Chambre de Commerce of Quebec memorialized the prime minister of Canada on the subject of abuses in connection with the sale of stocks and shares. In replying, through his secretary, Mr. Bennett indicated that he was deeply interested in the question and hoped in the near future to hold a conference with the provinces in order to come to an understanding on uniform company laws throughout the Dominion. In the last session of Parliament, Mr. Bennett made it clear that he thoroughly disapproved of the inflation of capitalizations that has been going on in recent years in Canada, through the process of mergers, reorganization and recapitalization and refinancing.

At the time, the Prime Minister said:

"A successful company that by reason of great care and thrift has accumulated large reserves, proceeds to capitalize them, with the result that the public, who might hope to get a cheaper product by reason of the company having no greater demands upon it for fixed charges, suddenly finds itself confronted with trebled, quadrupled, or sometimes twenty times its former capital, and the necessity becomes apparent to everyone of providing earnings to take care of a dividend perhaps twenty times as large as previously prevailed.

"If we ever get back to normal conditions, there are two things that are essential for the maintenance of our commercial life, and one is that so far as possible there should be uniformity with respect to the incorporation of companies as between the dominion and the provinces.

"Secondly, and this is the more important, the reorganization of companies must be controlled where the public are as vitally interested as they are here. Where enterprises with small capital have been able to make great progress, they must be prevented from issuing enormous waterlogged securities upon which the public pay enhanced prices.

"I propose that a conference between the provinces and the dominion shall discuss the question to see whether we cannot arrive at some conclusions that will prevent a repetition of the enormous injury that has been done the country as a whole, and the great losses that have been sustained by individual investors by reason of these circumstances."

Le Soleil, of Quebec, is only one of many organs of opinions in Canada who have called for reform of commercial and industrial methods, particularly in connection with the sale of securities to the investor. Many good companies, Le Soleil points out, have passed out of the hands of genuine industrialists and into the hands of brokers and speculators who have brought them to ruin and have in many cases ruined themselves at the same time. It will be necessary for many of these companies to be reorganized as to management and capitalization before they can find lasting prosperity again. In fact this process is going on in many companies right now.

It is difficult to ascertain who are the chief losers from orgies of stock manipulation following promotions, amalgamations and refinancing such as the one indulged in in Canada between 1926 and 1929. Certainly investors are losers; there can be no doubt of the distress that collapse from security inflation imposes upon them. It is less obvious but nevertheless true that other classes in the community suffer. Employees lose because bond house or banking management is far from good; it is usually extravagant in display but penurious in real sales building. When it develops that interest and dividends cannot be earned upon extravagant capitalizations the first step is to cut expenses. And because sales promotion and advertising are the first lines to be attacked by short-sighted bankers, volume of business inevitably dwindles and this means less employment.

There are scores of old-established institutions in Canada that got into banking control in those speculative New Era years and that must either back into the control of their former managers or find new ones equally competent. By a slow process of deflation and reorganization, order can again be brought into the affairs of these companies. But the task of building legislative obstacles and public opinion against another round of financial debauchery of good companies remain to be done. Most of the provinces have passed laws protecting investors against the more dishonest types of security fraud but this legislation is thoroughly inadequate to protect the public against the more serious and costly type of merger and recapitalization promotion that loads down companies with excessive capitalizations; that steals a major portion of their working capital; that enables bond houses to unload securities at inflated prices. Writing laws and managing the issuance of charters to prevent this will be an infinitely more difficult task, but it can be done by co-operation of the Dominion and the provinces. But even the most rigid laws will be ineffective without a new and higher financial judgment among investment banking houses.

MERGING PRAIRIE UNIVERSITIES

RECOMMENDATION by the Kidd Committee that the University of British Columbia should be closed, and defalcation of accounts which may mean the loss of $1,500,000 or more to University of Manitoba, brings the four western provinces face to face with the need and desirability of merging in some degree the higher educational properties of these provinces.

No figures are available for the academic year just closed but it is no secret that the need for strict governmental economy has been felt very keenly by the government-fostered institutions in these four provinces and that grave doubts have been expressed by those in authority that unless there is a rapid and generous loosening of the governmental pursestrings, there will be no other alternative but to close up many or all branches of some of these institutions. The Kidd Committee report merely puts frankly in black and white what is rapidly becoming a reality in other western provinces.

And the reason is not hard to find. On the basis of latest available data published by the Dominion Bureau of Statistics, governmental grants comprised no less than 73 per cent of total receipts in the four provincial universities of Manitoba, Saskatchewan, Alberta and British Columbia. This compares with a similar ratio of only 30 per cent for all Canada.

On the basis of total registrations in the academic year ending June 30, 1931, the cost to western provincial governments for each student in the university was approximately $210. This compares with a similar figure in the University of Toronto, for instance, of $63. Total government grants to the four western institutions were almost $2,500,000 in 1931. Analyzed by provinces these show Manitoba the least dependent and Saskatchewan depending almost entirely on government assistance. Figures showing total receipts and amounts received in each case from government grants are as follows:

	Total Receipts	Received from Gov'm't.
Manitoba	$978,881	$501,000
Saskatchewan .	895,149	779,739
Univ. of Alb. ..	796,568	576,888
U. of B. C.	956,212	588,776

Just how these institutions might be merged with profit to the taxpayer and without sacrificing too many benefits of higher education is a vital problem. These four universities have total assets of over $22,000,000 and a total registration of 11,654 students. Of this number some 7,400 are full-time students and nearly 5,000 are registered in full-time study of arts and pure science.

A glance at the specialized curriculum of each university and the small number of students registered in many of these courses, suggests perhaps the answer, for there is little doubt that tremendous pressure will be brought to bear to prevent the complete closing out of any one of these educational plants in each of which between $4,000,000 and $9,000,000 has been invested. Take for instance Saskatchewan which has a medical faculty and a law school. In the former there were 36 students registered last year; in the latter, 30. Alberta had similar faculties at which 32 would-be lawyers attended and 157 embryo doctors. Why not send this handful of students to Manitoba to swell the total of 368 students who attended these faculties in that province? The provincial governments of Alberta and Saskatchewan could probably pay the railway fare and part of the lodging costs of each student and still be in pocket on the entire transaction. Faculties or departments of dentistry, architecture, pharmacy and so forth offer equal and in some cases even better opportunities for co-operative effort in this regard.

Another alternative might be the maintenance of some type of "junior" university in each province with an agreement to focus all specialized faculties and departments in one central institution.

Here is a direct challenge to educationalists and politicians in these provinces to take the opportunity presented by a striking combination of circumstances and to curb the expenditure of public moneys on educational facilities which could be offered on a much improved basis and at a greatly reduced cost by a commonsense plan of co-operative effort between the four provinces.

THE WATER POWER PROBLEM

THE suggestion put forward by The Financial Post that Canada's waterpower industry today stands in much the same position as the newsprint industry did at the beginning of 1928 and that the industry should take stock of its position, is regarded by the Electrical News and Engineering as ill-advised and likely to retard progress. Jumping to conclusions, rubbish and inability to analyze the true situation, are some of the other expressions used by the critic.

Evidence of the soundness of the waterpower industry, the Electrical News cites the increase in demand for power between 1922 and 1932, when on several occasions the annual increment amounted to 20 per cent. Through lack of knowledge, or otherwise, there is no acknowledgment of a fact well-known to the industry that this increase in demand would not have been possible had it not been for the unjustifiable expansion of the newsprint industry. Between 1922 and 1931 power installations increased 3,657,992 h.p. At the same time the newsprint and aluminum industries were directly responsible for 1,300,000 h.p. of this gain.

The Electrical News admits that there is a surplus capacity of 1¾ million h.p., or about 25 per cent of the total installed capacity at present. Added to that figure one might include at least another ½ million h.p. which will become available in the next five years from projects now partially completed. There is then over 2,000,000 h.p. to be absorbed within the next five years. Certainly we cannot expect the newsprint and metallurgical industries to take any large share of this power. Where then is it going to be marketed? This is the problem facing the industry. The natural increase in domestic consumption will help, as also will commercial demand. New industries will also take a share. This outlet, however, is very much over-rated. For example; of 200 industries recently established in Canada, the average power load per plant was less than 100 h.p.

The Electrical News also takes exception to the suggestion that development of the International Section of the St. Lawrence River will jeopardize the Canadian waterpower industry. It says that power in this section will be developed by the Ontario Hydro Commission only when required. Development of this section of the river, of course, is dependent upon ratification by the Canadian and American governments. In the event of approval, however, Ontario is obligated to pay $67,000,000 as its share of the cost of the common works and not a portion of that amount as stated by the Electrical News. Further it is definitely understood between the two governments that the power will be developed coincident with the building of the navigation works.

The waterpower industry in Quebec and Ontario, more particularly the latter, is not in a healthy position. This is the view held not only by The Financial Post, but by leaders of the industry; a fact that can easily be ascertained if the Electrical News and Engineering wishes to make inquiry.

BRINGING BACK TRADE AMONG TOURISTS

ALL THE indicators point to a greatly reduced tourist revenue for Canada for the current season.

In one area the bank reports to The Financial Post that less United States money is coming in; beach population is down 30 per cent and many cottages are vacant.

In another territory, a branch bank reports shipments of $5,000 of American currency in July as against $45,000 the same month last year.

A third bank reports that in his town the leading tourist hotel, which used to be filled every night, has at time had only one or two guests this year.

A banking survey in a medium-sized city shows $70,480 of United States money turned in during July as against $205,030 for July a year ago.

The chief reason for the decline in the number of American visitors is the depression in the United States. American tourist resorts have themselves experienced a very poor season. Maine resorts have been depleted of visitors except in the few centres that have learned to rely upon Canadians; in these places the decline in tourist revenues has been much less than the average. In one of the chief Atlantic coast tourist centres many hotels did not bother to open this year; others had a very poor showing, with the exception of one hotel which has always catered to the school teachers and principals, a commentary on what seems to be the one depression-proof profession. In a leading New Hampshire mountain resort there seemed to be more windows boarded up than in use.

The decline in our tourist travel is largely outside our own control this year.

But one significant trend is reported by merchants. Purchases of goods in Canadian stores catering to United States tourists has fallen off more than the number of tourists. To no little extent this is due to the fact that exchange and other duties have greatly increased the laid down cost in Canada of imported novelties from Great Britain and the continent. In trade circles some comment has been occasioned by the fact that for the first time in history Irish linens are more expensive in Canadian stores than in New York. The tariff duties have taken away much of the inducement to United States visitors to buy the $100 of merchandise allowed free entry by the United States customs.

The preferences offered to Great Britain under the mysterious 220 items will no doubt go far toward correcting this situation and enabling Canadian stores to offer many interesting and inexpensive British novelties and products that will make buying in Canada again profitable for the American tourist.

POST-scripts

HAVE you ever forgotten the license number of your own motor car or some other combination of digits which you feel as a business or professional man you most certainly should remember?

If so, do not be too discouraged about your poor memory for figures, for you are in good company.

The other day we paid a visit to no less a personage than Dr. R. H. Coats, Dominion Statistician. Here is a man we have always held in awe (and still do) for his amazing knowledge and grasp of the nation's statistics. While we were talking to him the phone rang and some one at the other end apparently asked for some information about his automobile. Imagine our amazement when the learned doctor rang for his secretary to ask her the license number of his automobile.

Next time a policeman asks us for our license number we shall proudly tell him this story as we walk around the car to read it off to him.

WE HAVE a friend who not long ago had occasion to dispose of a new gas range, which only a few months before had cost him in excess of $100. Friends told him that he would get very little for his range, mentioning sums ranging from $10 to $25. But the friend knew better than that. He was not going to advertise in the papers, rather was he going to send the range to an auctioneer. Arrangements were made and in due course of time the range was sold. After deducting cartage costs, auctioneer's fee, etc., the friend netted exactly 50 cents for the range.

THE great advance made in radio equipment on steamships, as illustrated by recent broadcasts from the Empress of Britain, recalls the days when wireless was unknown and the ship's purser was responsible for production of a daily bulletin whose contents were the labor of his own hand. One purser used to keep a batch of old newspaper clippings in reserve; a favorite item which made its appearance with unfailing regularity was an account of a bomb outrage in Warsaw. One day a substitute editor produced the daily sheet and maliciously changed the locale of the old story to Barcelona. Passengers were much put out in this change in their accustomed news and twitted the purser. He denied all knowledge of the item. "My bombs, sir," he said with dignity, "always explode in Warsaw."

THE slowness with which some retail merchants have turned over their stocks of merchandise in the past year is well illustrated by an incident which happened in one of Montreal's old established houses the other day. This retailer, in his desire to liquidate inventories, put on a sale. One customer was desirous of securing a pair of suspenders which would not slip off his shoulders. He asked the clerk if he had such an article. An affirmative answer was promptly given. The clerk then went to a box, picked out a pair of suspenders, and said: "Look at the elasticity in these." He then stretched the suspenders the length of his arms, but instead of snapping back, as all good suspenders should, they went limp as the elastic had long ago rotted. Much mortified, the clerk took out another pair. The same performance was gone through with the same results. And these were the most expensive suspenders carried in stock by the haberdasher.

BIG business requires a big front, and the bigger the front, the bigger the business. A good example of this maxim was to be seen recently when a Canadian daily newspaper announced that its circulation had grown so rapidly that the installation of additional presses was necessary and to that end engineers of a well-known press manufacturing company were at the time looking over the plant. This no doubt impressed the readers. Certainly it impressed the divisional engineer of the press company who was in a neighboring town and, up to that moment, knew nothing about the plans for expansion. The engineer jumped on the train and in a few hours was at the newspaper plant. He failed to find any of his engineers on the job. Enquiries from the manager elicited the fact that he knew nothing about the installation of further presses. The editor, plant superintendent and foreman were all interviewed with the same negative results. The engineer then went to the owner of the paper, who, to cap the climax, professed complete ignorance of any plans for expansion.

In the Mail

Eyes of World on Canada

Editor, The Financial Post:

With returning confidence in business and rising prices in stocks and bonds, it would seem good business now to take advantage of the present low prices in all raw materials and supplies, for manufacturing and wholesaling, for better business which is bound to follow from now on.

It would not only effect big savings, but would give an immense supply of labor that would be so welcome at this time, and at a reasonable wage; and would have a wonderful effect in bringing things back to normal.

There is a great shortage of supplies throughout the world, and if our Canadian manufacturers and wholesale dealers delay buying till prices advance, they will be at a great disadvantage in competing with keen world prices for their products.

The recent flurry in the market of raw materials would infer that big European and American buyers are in the markets now anticipating their wants for the balance of 1932 and 1933.

Cotton, metals, rubber, lumber, and other numerous raw materials are on the rise.

Export trade from Canada was greater in July than any month since last December, including many basic commodities for use in manufacturing.

The eyes of the world have been on Canada during the recent Economic Conference at Ottawa, when much first-hand information was gained by both exporter and importer, and with the new trade treaties and preferences, the producers of Canada are now opening up many new trade channels, that will bring great and lasting prosperity to our country.

Let every Canadian rally to the wonderful opportunity. Now is the time for anticipation.

A. MacINTYRE BRUCE.

St. Thomas,
Aug. 25, 1932.

World Famous Economists Review Empire Parley

American and European Experts Give Opinions on Results of Ottawa Meet

By A. F. W. PLUMPTRE
Lecturer in Money, University of Toronto

WILLIAMSTOWN, Mass.—"The Hawley-Smoot Tariff was an act of folly. If imperial preference ever amounts to anything, we ourselves will have laid the corner stone," said Prof. T. H. Williams, of Harvard University, addressing the Williamstown Institute of Politics.

However, the speaker believed that imperial preference would break down because England was no longer "the workshop of the world," and the Dominions would desire to increase their trade with other manufacturing nations as well as to increase their own production of manufactures.

Thus another speaker suggested that the American attitude to the imperial conference might be drawn by a cartoonist, showing Uncle Sam, kneeling beside a door labelled "Imperial Conference," his right hand cupped against his ear to hear what came through the keyhole and his left hand firmly thumbing his nose.

Germany's Attitude

Germany's interest in the outcome of the conference was voiced by Prof. H. von Beckerath of Bonn University. He felt that the British Empire was one of the forces making for stability and therefore was glad that it should hold together in an unstable world. Nevertheless he feared that the recent conference might have adverse effects upon Germany because Danish bacon and other products, if excluded from England, would be dumped upon the American market. He also feared that the redistribution and disorganization of the world wheat trade by the English wheat tariff might cause world wheat prices to fall.

Both Prof. Williams, and also Prof. Gregory of the London School of Economics, thought that the wheat tariff would have no effect beyond a certain redistribution of the wheat sold. Nevertheless, Prof. Gregory described the conference as "a raw material producers' victory," which was likely to aggravate the over-production of raw materials which existed in the world at present.

Calls British Policy Humbug

"Humbug" was the word with which this speaker described the tariff policy of the British government. At the last election the people had been assured by the National Government that it would use tariffs as a bargaining instrument by which it could beat down world tariffs. But now that government had bound itself not to reduce its imperial preference for a period of five years. And since most goods from the Dominions were entering the British market free of duty, it would be impossible to reduce the existing tariffs against the rest of the world for five years. Great Britain might preach tariff reductions at the forthcoming World Economic Conference, but she had bound herself not to practise it.

On the other hand, Professor Williams thought that "if the Ottawa conference can scare the outside world into trade concessions and treaties with each other, much good would be done." He believed in bi-lateral negotiations; and foresaw little outcome from the World Conference which was likely to go the way of the seven general tariff conferences which have taken place since 1927.

Praise Monetary Report

Professor Gregory was "delighted" that nothing had come out of the Monetary Committee of the conference. Ottawa had been swarming, he said, with unofficial monetary cranks proposing Empire currencies and Empire banks of all sorts. Everyone should be grateful that these misguided enthusiasts had nothing to show for their troubles. On the other hand it was improbable from the beginning, that this committee would be able to produce positive results because of the diverse interests of the various countries represented. South Africa, with her huge gold exports, clung to the gold standard. Canada's financial connections were largely with gold, via the American dollar. On the other hand the other Dominions were "members of the Sterling club."

Dean Corbett of McGill University assured his American audience that the conference had been called to relieve the existing distress in the Empire and not with a "desire to injure others." Referring to the frequent references in the American press to the alleged bitterness which pervaded the discussions, Dean Corbett said that the bitterness was no greater than that to be expected of a family reuniting to divide up a fortune.

Other People's Views

Marketing in Britain

The Globe, Toronto.—A Canadian Press dispatch from Ottawa announces that representatives of the Dominion and Provincial Departments of Agriculture will meet in Toronto next week to study the United Kingdom preferences being granted Canada through the Ottawa Conference agreement. Too much emphasis cannot be placed on the point in the agreement requiring an adequacy of supply of acceptable quality, for it puts the onus on the Canadian producer and shipper to provide high-grade and well-graded produce in steady quantities. Canada lost the United Kingdom market in some commodities in the past through failure to keep up the quantity desired. Had this not been the case, there would be less foreign competition to overcome at the present time. Manifestly the lesson should not have to be learned a second time, and it is not certain that failure now would bring a third opportunity.

A Sound Report

The Times London.—The report of the committee on monetary and financial questions at the Ottawa Conference will be read with considerable relief in banking and financial circles in the city. No revolutionary scheme or experiment such as practical bankers would regard as dangerous is suggested, and the report is in the main an endorsement of the British Government's policy. The report begins by pointing out that a rise in world prices is desirable—which is everywhere accepted, but it recognizes that "a rise cannot be effected by monetary action since various other factors which have combined to bring about the present depression must also be modified or removed before a remedy is assured." Indeed, the report declares that the primary line of action in the monetary sphere toward promoting a rise in prices should be "the creation and maintenance, within the limits of sound finance, of such conditions as will assist the revival of enterprise and trade." It adds that among these conditions are low rates of interest and abundance of short-term money. But money is subject to the same law of supply and demand as commodities. Money will be cheap if the supply is greater than the demand and dear if the position is reversed. The reason that money is cheap today is that the demand for it is small in relation to the supply. There is no other reason. All borrowers are not equal and therefore cannot borrow at the same rate, whether in times of bad trade when money is cheap or in times of good trade when money is dear. The committee's recognition of this is timely.

The committee are obviously not in sympathy with the inflationists' view, for they declare that favorable monetary conditions cannot be achieved by the inflationary creation of additional means of payment to finance public expenditure but by an orderly monetary policy which shall prevent violent speculative movements in commodities or securities. Bankers and others will entirely endorse the view of the committee that the success of such a policy will be hampered if not nullified by failure to modify or remove important non-monetary obstacles. "Of non-monetary factors which are depressing the level of prices, many," add the committee, "are of an international character and require an international remedy." This is clearly true. The committee express appreciation of the policy of the British Government in establishing the Exchange Equalization Fund. So far the management of sterling has been successful in avoiding sharp fluctuations in its gold value such as might have resulted from speculative movements at different periods this year.

The most important declaration of the committee is that the ultimate aim of monetary policy should be the restoration of a satisfactory international monetary standard, and that the function of that standard is not merely to maintain stable exchanges between all countries but to ensure also the smooth and efficient working of the machine of international trade and finance. The report contains little that is remarkable, but much that is sound.

"Stop Me If You've Heard This One"

In these days when so nearly everybody owes everybody else, one is reminded of the story of two darkies. Rastus said to Sambo: "Niggah, here's dat quartah I'se been owin' you fur a yeah."

Sambo refused to take it, saying: "Niggah, yo jes' keep it; I ain't gwine change mah 'pinion ob yo' jes' foh two bits."

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The Week in Business

Commodity Prices Hold Business Spotlight
Stocks of Staple Articles at New Low Levels
Motor Industry Feels Effect of Export Revival

FURTHER rise in commodity prices is the most encouraging news of the business week. For undoubtedly prices are the most important question in the economic world today. Unless the price of commodities can be raised within measurable distance of the levels of 1928 most of the debts of the world, public and private are insupportable and the lot of primary producer countries such as Canada becomes well nigh intolerable If commodity prices do not rise, general repudiation of debts must take place which would be a further stumbling block to recovery.

At present wholesale commodity prices are roughly 40 per cent below 1928 levels in spite of the recent rise which has wiped out almost entirely the losses of 1932 and has restored prices almost to the January, 1932 level which is about 5 per cent below 1913 quotations. That wheat has once more joined in the upward movement and is again heading for the 60 cent mark (cash price) is the most encouraging feature of the new upward spurt as far as Canada is concerned. Also the fact that leading indices of food product prices now stand as high as any time since the beginning of the year, is good news for Canadian farmers and all those dependent on their productivity.

CLOSELY allied with this rise in commodities comes the first real indication that low inventories, of which so much has been heard in the past few years, are actually beginning to make themselves felt. No figures are available for Canada as yet but the rapid manner in which an actual shortage in leading commodities has developed in the United States is well told in the following paragraphs from the weekly market letter to Hayden, Stone & Co., New York.

"Stocks in hands of automobile tire manufacturers on June 30 reached a low point for all time, amounting to 4,620,521 units, against 9,378,691 on May 31, and 10,448,210 on June 30, 1931. These depleted stocks are probably typical of a great many other staple articles. The world's stock of sugar, for instance, will for the first time in five years show a decrease in 1932. This, as in the case of most raw commodities, has finally been brought about by a long and painful adjustment of supply to demand.

"Production of cotton cloth in July, for instance, was the lowest since reliable records have been kept. Sales, however, were 157 per cent. of production, with the result that stocks on hand showed a shrinkage as compared with the previous month of 7.8 per cent, and were only 5½ per cent larger than a year ago, while unfilled orders show a gain of 33 per cent over the previous month, though still 18 per cent less than the twelve months previously. Another month of such a gain, however, would bring unfilled orders up to those of a year previous.

"The point we are trying to get at is, that all along the line from one industry to another, supply is being adjusted even to present day subnormal demand. Stocks of manufactured articles available to the ultimate consumer are by all indications thoroughly depleted. Supplies of raw commodities are still large, though even these are beginning to be reduced. Given then a recovery to even an average level of consumption, the stage is set for a rapid quickening of industrial operations."

OF THE week's news there is little of encouragement, statistically, except the unusual upturn in July sales of automobiles which can be traced definitely to a revival in export business. New trade pacts recently completed or promised as a result of the Empire conference may mean a substantial revival in this dominant Canadian industry. Employment records were down as at August 1 the failure of construction to provide its usual seasonal impetus, being largely responsible. Tourist traffic continues to be decidedly disappointing and early returns from the Canadian National Exhibition which can usually be considered a satisfactory barometer of trade and consumer activity, show a drop in attendance of about 18 per cent together with a considerably smaller demand for space on the part of exhibitors. Carloadings made a further seasonal gain for the second week in succession. Latest returns from central electric stations show a further decline in July. Perhaps this trend will be reversed in August.

Raw Sugar Imports in July totalled 95,841,700 lbs. compared with 78,978,500 lbs. in July, 1931. For the seven months ended July, imports totalled 421,127,800 lbs. compared with 441,606,700 lbs. in the same period of 1931.

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N-21

Business Conditions in Canada

BETTER SENTIMENT FAILS TO ASSIST ECONOMIC AREAS

All Areas Show July Decline as Employment, Power Output Drop

By SYDNEY B. SMITH

The improved business sentiment was not translated into action during July in any of the five economic areas. Measured by The Financial Post indexes of business activity based on seven factors with geographical distribution, operations were at a lower level in July than in the preceding month. In four economic areas new low points in the present depression were reached, the index of the Maritime provinces duplicating the previous low level recorded last April.

Owing to the marked gain in Ontario during July, bank debits recorded a slight advance over the preceding month, the other economic areas showing declines. The sales of life insurance were up in the Maritimes and the Prairie provinces, decline being shown in the other areas and in Canada as a whole.

Employment Depresses

Factors which had the greatest effect in depressing the area indexes were employment, placements in government employment offices and the output of central electric stations. These factors after seasonal adjustment showed declines in each of the areas and consequently in the Dominion as a whole.

Maritimes — Relative to the 1926 monthly average the index of the Maritime provinces makes a better showing than for any of the other economic areas. Since that time the industrial development of the Maritimes in the line of pulp and paper and electric power installation has been spectacular. The output of electric energy until recently has shown rapid growth. For some months precedent to last April a decline was shown in business operations in the Maritimes; since then excellent resistance has been shown to depressing conditions. In July building permits showed gain over the preceding month and life insurance sales were greater. Other factors showed decline the net result being that the business index was 103.2 compared with 104.9 in June.

Quebec — The new business obtained by the construction industry showed marked gain in Quebec. Employment in the industry was nearly maintained, the seasonal tendency being downward. Contract awards at $3,444,000 showed after seasonal adjustment a gain of nearly 34 p.c., while the gain in building permits was much greater. The output of electric energy was 606,872,000 kw.h. compared with 633,814,000 in June. Consumption in Quebec was 467,700,000 kw.h. compared with 492,900,000 in June. On an average daily basis after adjustment for seasonal tendencies the decline was 5.6 p.c.

Despite greater speculative activity bank debits showed decline and sales of life insurance were down. The employment situation was also discouraging, most groups in the classification showing recession despite the fact that increases would be normal for the season. Mining and transportation showed gains and wholesale trade was more active but for the most part gains were conspicuous by their absence. The boot and shoe and textile industries continue to operate at a fair percentage of capacity, while the lumber and paper industries have reached new low points on the depression. The general result was that the business index of Quebec declined from 95.8 in June to 82.8 in July.

Ontario—Contracts awarded in Ontario at $6,793,000 showed an excellent gain over June. Building permits on the other hand were at a very moderate level. Bank debits in Ontario made an excellent showing doubtless reflecting activity in stock and bond turnover. The sales of stocks numbered 232,757 compared with 212,626 in June and 195,770 in July of last year, and the bond market was active and strong. Bank debits in July were $976,000,000 compared with $944,000,000, a gain of more than 12 p.c. after seasonal adjustment.

Industrial operations were very quiet in July as most firms were waiting to learn the decisions of the Imperial Conference before planning their future policy. A more optimistic feeling was abroad with the possibility that the improved attitude would be translated into action at a latter date. Several plants such as the binder twine factories have already benefitted by the large Western grain crop, and increasing activity arising from a greater purchasing power among the farmers is a strong possibility.

The business index for Ontario was 79.6 in July compared with 80.9 in June.

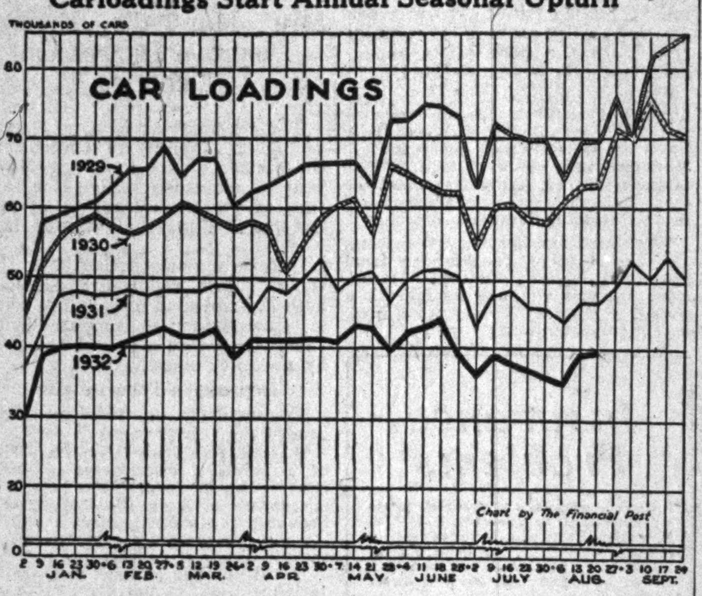
Prairie Provinces—While crop conidtions were somewhat uneven in the different parts, of the Prairie Provinces, Southern Saskatchewan being adversely affected by lack of sufficient moisture, a large crop much in excess of any year since 1928 is now assured. Considerable diversity in enterprise obtains in the West, but the wheat crop is still a predominant factor in the prosperity of the three provinces. Referring to the statistical situation in July building permits showed a gain of 16.5 p.c. and sales of life insurance were up 3 p.c. Other factors used here were unanimously in the red. The business index was 90.7 in July compared with 92.7 in the preceding month.

British Columbia.—The new business obtained by the construction industry in British Columbia showed marked gain in July forming a contrast with the drop in building employment on August 1. The report of the Pacific Lumber Inspection Bureau for the first six months of 1932 shows water-borne shipments from British Columbia as 235,533,882 feet as compared with 276,093,950 feet for the same period of 1931, a decline of 14.7 p.c.

Output of electric power was 88,766,000 kw.h. compared with 86,147,000 in June. On an average daily basis after seasonal adjustment a decline would be indicated. The consumption, however, at 87,900,000 kw.h. showed a gain over the 85,1090,000 kw.h. of the preceding month. Declines in employment and bank debits affirm the low levels of business operations at the present time.

The business index for British Columbia was 82.8 compared with 86.1 in June.

Carloadings Start Annual Seasonal Upturn



The big annual upswing in cars of revenue freight loaded by Canadian railways during the fall months, got underway two weeks ago and with prospects for a heavy crop movement from the prairies, substantially increased business for railway and other interested groups is forecast.

The chart shows the weekly movement in each of the past four years without adjustment for seasonal or holiday fluctuation. The increase to date has almost entirely been due to grain movement although coal is also moving more actively.

No Farmer Buying Power Till Indebtedness Paid

Saskatchewan Government Plan to Take 70 Cents for Wheat Revealed as Compulsory First Lien on New Crop

From Our Own Correspondent

REGINA. — The Saskatchewan Government announced a short time ago that farmers might pay their indebtedness to the Saskatchewan Relief Commission in wheat, on which they would be given credit at a price based on 70 cents a bushel at Fort William for No. 1 Northern, which at the time represented a bonus of approximately 14 cents a bushel, or a discount on indebtedness of approximately 20 per cent.

It now develops that there is more than a concession to farmers involved in this plan, and that not only may farmers repay their indebtedness in this way, but that they must do so.

In First Lien

The government has developed an elaborate plan for collection, notifying agents at elevator points in the province of the amounts due from various farmers, and entering a claim to the first grain delivered by each farmer until the amount of the debt is satisfied. No other claim, it is stated, will come ahead of that of the Relief Commission, with the exception of taxes or a thresher's lien when actual seizure has been made.

The instructions given to elevator agents are that the tickets, or receipts for grain so delivered are to be made out in the name of the Saskatchewan Relief Commission, and forwarded direct to that body, while the farmer gets an acknowledgement that the documents in question have been issued.

How Shall Wheat be Sold

This procedure, it is evident, will leave the Relief Commission with a very large quantity of grain owned by it, in elevators over the greater part of Saskatchewan. What procedure the commission will then follow has not been made clear, but the simplest plan will be to sell the grain at once to the various grain companies at the current price. The commission, of course, could allow the grain to be forwarded to terminal elevators, and await what it might consider a favorable time for selling, but it would be taking the risk of price fluctuations, and after the first fifteen days of free storage, charges would begin to pile up against the grain.

Corresponding arrangements apply in connection with oats, barley, rye and flax, the prices at which the commission will credit grain being proportionately higher than current market values. The intention is that a farmer's indebtedness for relief advances made during the past year shall be liquidated before he is able to sell grain for himself. Then out of the proceeds of the first grain he sells, in case he obtained binder twine on credit from the commission, settlement has to be made for the cost of the twine, on orders previously signed, but on these accounts only current market prices will apply.

In business circles there is some disposition to criticize these arrangements, since it is evident that the proceeds of some millions of bushels of the first grain marketed in the province will not provide any spending power for the farmer, or get into circulation, except in so far as they reduce the indebtedness of the province to the banks from which money was obtained to finance relief expenditures. The theory is expressed that the government should rather have been willing to collect its repayment grain at the end of the seasen instead of at the beginning.

Mount Royal Hotel Books Five Conventions

From Our Own Correspondent

MONTREAL. — Prospects for improved patronage at the Mount Royal Hotel in September are indicated by the fact that already 4 conventions are booked for that month. In addition, the company is providing space for the annual radio show which will occupy a whole floor.

To date, however, it is understood that earnings have been at a relatively low level due to decreased patronage and a decline in demand for luxury services. No dividends are being paid on the preferred stock; whether earnings are sufficient to cover bond interest has not been divulged.

A reorganization in the capital structure has been mooted but as yet no definite action has been taken.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1932	Weekly Latest 1931	Cumulative Jan. 1 to date 1932	Cumulative Jan. 1 to date 1931
Transportation—				
Car loadings (Aug. 20)	39,770	47,082	1,339,399	1,583,542
C.P.R. gross earn. (Aug. 21)	$ 2,614,000	$ 2,331,000	$ 74,028,000	$ 91,786,000
C.N.R. gross earn. (Aug. 21)	$ 2,494,240	$ 3,163,175	$ 89,101,653	$ 112,699,409
	Monthly			
C.P.R. net earn. (July)	$ 859,708	$ 1,783,232	$ 6,111,587	$ 8,539,591
C.N.R. net earn. (July)	$ 753,433	$ 335,618	$ 3,162,108	$ 1,664,654
Iron and Steel—				
Pig iron, tons ,July)	7,317	40,303	84,518	339,525
Steel, tons (July)	27,506	45,097	207,994	506,974
Automobiles prod. No. (July)	7,472	4,220	47,141	70,305
" exports No. (July)	1,540	1,009	4,659	11,460
Construction—				
Building Permits (June)	$ 4,386,349	$ 8,593,958	$ 22,577,143	$ 58,950,508
Contracts (July)	$ 12,540,100	$ 28,054,700	$ 87,301,000	$ 190,992,300
Newsprint—				
Production, tons (July)	131,780	157,205	1,136,028	1,295,526
Exports, tons (June)	155,895	189,738	933,446	1,025,672
Sugar—				
Imports, raw, lbs. (July)	95,841,700	78,978,500	421,127,800	441,606,700
Melt. & ship., lbs.*	107,288,072	99,673,554	487,046,541	514,779,139
Manufactured, lbs.*	101,700,245	91,870,869	468,083,842	488,717,872
Flour—				
Production, bbls. (June)	1,151,286	1,121,115	5,932,449	6,648,773
Wheat flour exp., bbls. (July)	446,379	466,967	2,818,605	3,132,225
Other Industrial Indices—				
Lumbering: Plank & board exports mill ft. (July)	37.84	92.21	445.91	551.59
Boots & shoes, pr (June)	1,559,192	1,576,449	9,129,585	8,978,977
Petroleum, imp. crude, gal. (July)	104,209,000	98,145,089	555,188,966	562,472,952
Cotton, imp., raw, lbs. (June)	4,487,000	5,269,000	46,994,000	46,207,000
Rubber, raw, imp., lbs. (July)	3,425,000	5,805,746	30,096,926	36,220,783
Coal, imports, tons (June)	958,742	1,198,335	4,390,878	5,365,746
Gasoline sales, gals., (Mar.)	27,663,888	....	81,787,845	....
Trade—				
Imports (June)	$ 40,743,105	$ 52,508,534	$ 242,047,511	$ 353,898,594
Exports (June)	$ 40,945,490	$ 54,348,421	$ 223,062,711	$ 291,655,503
Wheat exports, bus. (June)	15,857,427	20,788,219	68,206,072	87,886,709
Labor—				
Employment Index (Aug.)	86.3	105.2	......	......
Electric Power—Output—				
M. Kilowatt hours (May)	1,273,519	1,365,786	6,747,850	7,022,142
Finance—				
Failures, No. (June)	176	165	1,237	1,109
Failures, Liabilities (June)	$ 3,794,281	$ 4,613,464	$ 21,221,450	$ 22,853,013
Bank debits† (July)	$ 2,176,000	$ 2,400,404	$ 14,712,824	$ 18,825,548
Bond sales (July)	$ 27,287,717	$ 7,467,700	$ 188,944,888	$ 333,871,211
Insurance sales (July)	$ 34,469,000	$ 39,977,000	$ 253,002,000	$ 301,479,000
Automobile Financing:				
Used cars (July)	$ 1,226,145	$ 2,093,359	$ 7,685,104	$ 14,702,728
New cars (July)	$ 1,243,540	$ 2,102,341	$ 9,043,247	$ 15,083,834

*Four weeks' period, July 23 to Aug. 18.
†(000's omitted). ‡Deficit.

WINDSOR EMPLOYS MORE WORKERS THAN YEAR AGO

Only Canadian City With Larger Pay List at Aug. 1

Industrial employment on August 1 was considerably lower than at the beginning of the previous month, the index number before adjustment for seasonal trend, dropping from 88.7 to 86.3. This drop is against the general seasonal trend which is slightly upward, the comparative figures in 1931 being 103.8 on July 1 and 105.2 on August 1. These index numbers are compiled on a 1926 equals 100 base by the Dominion Bureau of Statistics from statistics supplied by 8,208 firms whose payrolls aggregated 791,622 persons, as compared with 812,871 on July 1.

Analyzed by groups, commerce was the only one to show a gain and this was in accordance with the usual seasonal trend. Losses were evidenced in service, construction and mining against the usual upward seasonal trend.

Manufacturing reported a decline greater than the one of last year; this was partly due to the fact that the usual mid-summer shutdown for holidays was intensified this year by the fact that the close of the month fell at the week-end. The largest losses were those of a seasonal character in iron and steel and textile mills. On the other hand, vegetable food and leather footwear factories showed improvement.

All Provinces Down

Employment declined in all provinces, firms in Ontario releasing the greatest number of workers. The seasonal trend in the eastern provinces is downward but the drop this year is greater than in previous years. The usual seasonal gain in the Prairie provinces has been replaced by a loss and the same can be said for British Columbia.

All leading Canadian cities, with the exception of Windsor, reported decreases in employment proportionately greater than the usual seasonal trend. Brief surveys by cities follow:

Montreal—Losses were greater than in either 1931 or 1930, while there was a gain in 1929. Road construction, vegetable food and musical instrument factories improved while manufacturing as a whole, transportation and retail trade released employees. Textile factories reported the greatest losses. Employees numbered 125,512, of 4,464 fewer than at July 1.

Quebec—Employment was down against the seasonal trend, due to slackness in textiles and services. Building returns were better. Workers in 144 firms totalled 12,264 compared with 12,719 in the previous month.

Toronto—Only wholesale trade recorded improvement from the previous month. There were 109,709 persons employed at August 1 compared with 110,894 at July 1.

Ottawa—There were losses in manufacturing from July 1, chiefly in lumber and pulp and paper, other groups showing little change. There were 237 persons released during July, the forces of 156 employers at August 1 totalling 12,320.

Hamilton—Manufacturing registered general curtailment, with the largest losses in iron and steel, while construction was also slacker. Reductions were also recorded last year but the current drop is greater. Firms co-operating numbered 235 with employees numbering 25,267 as against 26,460 at July 1.

Windsor and Border Cities—Continued losses were reported by 136 firms whose staffs were reduced 1,258 to 10,243 during July. Larger declines had been recorded a year ago and employment then was in smaller volume.

Winnipeg—Increased employment was recorded in transportation but construction was curtailed while other industries showed little change. Employees numbered 35,440 compared with 35,741 at the beginning of July.

Vancouver — Manufacturing and construction activity was less and transportation slightly up with other industries much the same. Returns compiled from 386 employers showed 27,146 employees as against 27,535 at July 1.

Business Briefs

Average Value of the pound sterling declared by the Department of National Revenue for special duty purposes is $3.99, effective for entries during the period Sept. 1 to 15, inclusive.

Lumber Mills reporting to the West Coast Lumberman's Association operated at 19.7 per cent of capacity for the week ended August 6 as compared with 19.2 per cent in the previous week and 37.8 per cent in the same week of last year. Of the 321 plants reporting, 204 were reported closed and 117 operating.

Wheat Stocks for the week ended Aug. 19, 1932, totalled 113,377,774 bu. compared with 116,030,130 bu. for the previous week and 102,833,346 bu. reported for the same week of last year. Western country elevators reported increased stocks and eastern ports lower.

Wheat Exports during the week ended Aug. 18, 1932, totalled 2,414,351 bu., a slight increase from the previous week, and 368,314 bu. greater than the amount exported in the same week of last year. Montreal handled the largest amount of the shipments with 1,154,177 bu., followed by Vancouver with 702,561 bu., Churchill with 280,013 bu. and U. S. Atlantic ports with 277,000 bu.

Carloadings for the week ended Aug. 20 amounted to 39,770 cars, an increase of 618 over the previous week. The index number rose from 65.64 to 65.83. Grain and coal loadings were responsible for the increase, loadings in the eastern division being 756 less than in the previous week.

Creamery Butter production in July totalled 30,229,521 lbs. compared with 31,763,673 lbs. in July, 1931, a decrease of 4.8 per cent. All eastern provinces with the exception of Ontario recorded increases and all western provinces decreases.

Pulleys, Saws, Mill Supplies
Belting for Every Need
N. SMITH BELTING WORKS
138-140-142 York St.
Toronto, Can.

EXPORTS BOOST AUTO PRODUCTION

July Output Higher Than Previous Month and Year Ago

Production of 7,472 automobiles in Canada during July showed a gain of 5 per cent over the 7,112 cars made in in the previous month and exceeded by 77 per cent the 4,220 cars made in July of a year ago. The increase over June was wholly accounted for by the continued improvement of foreign markets as the number of cars made for export advanced to 2,699 from 1,233. This gain was sufficient to more than offset the decline from the previous month of 1,106 in the number of cars made for sale in Canada.

Compared by types of cars, the July figures show that passenger cars advanced to 6,773 from 6,308 while the production of trucks was lower at 699 as against 804 in June.

Customs' records for July show that 114 cars were imported into Canada and 1,540 exported during the same period. On only three occasions in recent years have the monthly import figures been lower while the export figures were the highest reported for any month since May, 1931.

July Business Failures Have Greater Liabilities

Liabilities of business failures in July were considerably greater than in the previous month according to records compiled by Bradstreet's. Total liabilities amounted to $5,549,000, the highest total since November, 1931, and $1,700,000 greater than the amount in June.

The number of failures also increased, the 249 being the highest total since January when 293 were recorded. There were 188 failures of retail establishments during the month, 43 in manufacturing, 11 in commercial service, and 7 in wholesale and jobbing.

Manufacturing accounts for the highest amount of liabilities during the month with a total of $2,694,000, followed by retail with $2,084,000. Commercial service failures had liabilities of $519,000 and wholesale and jobbing $252,000

For the first seven months of the year failures numbered 1,606 and liabilities $29,569,000, compared with 1,554 failures with liabilities of $24,295,000 in the first seven months of 1931.

Over 204 Million Dollars of Assets Protect Policyholders
The Canada Life Assurance Company
Established 1847

A Low Priced Security

The Financial World staff has made an exhaustive study of a company whose stock has declined from above $150 per share to a fraction of its 1929 high. It is noteworthy because it has very little competition. A number of factors indicate that it will have a substantial increase in business before the end of this year. It is in strong financial condition and has very high grade management.

We will send a copy of this important analysis together with the next 8 weekly issues of The Financial World all for $1.00. If you mail your order within the next two weeks, we will include our "Sound Investment Rules" and "10 Most Attractive Dividend Stocks." Be sure to return this "ad" with $1.00 and your address without delay.

THE FINANCIAL WORLD
America's Investment and Business Weekly
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15 WELLINGTON STREET WEST TORONTO

ENGLISH TOWNS AT THE EXHIBITION

ROTHERHAM AND WAKEFIELD

have taken space in the Industrial Building of the Canadian National Exhibition. Mr. Matthew Anderson will be in attendance to discuss proposals to manufacture direct or under license in England.

ROTHERHAM is the great iron, steel and coal town near Sheffield.

WAKEFIELD is a textile and light engineering town, a Cathedral city and an administrative centre.

Consult Mr. Anderson at Booth 69, Industrial Building, Canadian National Exhibition or write direct to him c/o The Town Clerk of either Rotherham or Wakefield

CANADA BREAD COMPANY, LIMITED

BOARD OF DIRECTORS:

HENRY F. GOODERHAM, K.C., *President* — J. H. McCONNELL, M.D., *1st Vice-President* — C. W. BAND, *2nd Vice-President*

T. P. LOBLAW · H. J. SYMINGTON, K.C. · E. D. GOODERHAM · A. E. NASH

A. V. LOFTUS, *General Manager*

BALANCE SHEET as at JUNE 30th, 1932

ASSETS

Current Assets:		
Cash on Hand and in Bank		$ 177,288.80
Accounts Receivable (less Reserve for Doubtful Accounts, $50,000.00)		247,625.85
Marketable Securities, at cost (Market Value $72,409.50)		110,407.50
Inventories of Ingredients and Supplies, at cost		94,981.71
Total Current Assets		$ 630,303.86
Prepaid Insurance, Taxes, etc.		24,330.58
Mortgages Receivable		25,000.00
Investment in and Advances to Subsidiary Company, including interest accrued to date (Book Value $206,677.40)		375,445.39
Land, Buildings and Equipment (Buildings and Equipment based on Replacement Values as appraised by Sterling Appraisal Co., Limited, under date of June 30, 1923, with Land and subsequent additions at cost):		
Buildings and Equipment	$5,077,618.38	
Less Reserve for Depreciation	1,959,992.40	
	$3,117,625.98	
Land	430,763.37	
		3,548,394.35
Goodwill (less amounts written off)		2,356,633.61
		$6,960,107.79

LIABILITIES

Current Liabilities:		
*Accounts Payable (including provision for Dominion and Provincial Income Taxes)		$ 227,558.60
Wages Accrued		15,147.81
Tickets Outstanding		9,162.88
Bond Interest Accrued		24,682.50
Preference Dividend payable July 2, 1932		21,875.00
Total Current Liabilities		$ 298,426.79
Mortgages Payable ($2,800.00 due November 1, 1932)		6,400.00
6% 30-Year First Mortgage Sinking Fund Gold Bonds, due 1941		987,300.00
Reserve for depreciation in value of Investments and advances to Subsidiary Company		250,000.00
Capital Stock:		
Authorized and Issued:		
7% Non-cumulative Preference Stock—12,500 shares of a par value of $100.00 each	$1,250,000.00	
7% Non-cumulative Class "B" Preference Stock—25,000 shares of a par value of $100.00 each	2,500,000.00	
Common Stock—200,000 shares without nominal or par value, stated value	25,000.00	
		3,775,000.00
Surplus arising from Operations		1,642,981.00
Contingent Liability: To Bankers: Guaranty of advances to Subsidiary Company. $ 280,000.00		
		$6,960,107.79

HENRY F. GOODERHAM, President. W. S. ANTLIFF, Secretary-Treasurer.

SURPLUS ACCOUNT.
For the Year ended June 30, 1932.

Balance at credit as at June 30, 1931		$1,821,749.59
Net Profit on Operations for the year ended June 30, 1932, before providing for Doubtful Accounts and Depreciation	$451,763.10	
Interest on Investments	22,876.77	
	474,639.87	
DEDUCT:		
Provision for Doubtful Accounts $ 35,000.00		
Provision for Depreciation on Plant and Buildings 213,408.46		
	248,408.46	
		226,231.41
		$2,047,981.00
First Preference Dividend		$ 87,500.00
Class "B" Preference Dividend		37,500.00
Dominion and Provincial Income Taxes		30,000.00
Transferred to Reserve for Depreciation in value of Investments and Advances to Subsidiary Company		250,000.00
Balance at credit as at June 30, 1932		1,642,981.00
		$2,047,981.00

AUDITORS' REPORT TO THE SHAREHOLDERS.

We have examined the books and accounts of Canada Bread Company, Limited, for the year ended June 30, 1932, maintained at the Head Office in Toronto and at certain of the branches. The accounts of the branches at Ottawa, Walkerville, London and Brantford, and of the Cake Factories at Toronto and Galt, are incorporated on the basis of returns certified by the Company's officials.

In accordance with the provisions of the Companies Act (Ontario) we have to report that, subject to the foregoing, in our opinion the appended Balance Sheet as at June 30, 1932, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

All our requirements as auditors have been complied with.

PEAT, MARWICK, MITCHELL & COMPANY,
Chartered Accountants.

Dated at Toronto, Ont., Aug. 16th, 1932.

Insurance for Buyer and Seller

CANADIAN FIRMS ENJOYING EFFECTS OF ANNUITY BOOM

British Buying Gets Big Stimulus from War Loan Conversion

A good-sized boom has hit the annuity business of Canadian life insurance companies doing business in Great Britain.

Leading companies doing business there report that within the past few weeks orders have been pouring in from British representatives. The specific reason behind this big volume is given as the British plan for conversion of War Loan bonds which has sent investors scurrying to consolidate their long-term investments into channels which will guarantee them a high rate over a long period of years.

On account of higher average earnings than British companies, the Canadian life firms are currently offering considerably more attractive plans at the present time and British investors have been quick to realize this. Many British companies have recently dropped their annuity rates which is an added factor in favor of Canada.

Heavy Volume Reported

No specific figures as to the exact volume of business that has accumulated in British offices in recent weeks is available as no complete returns will be available for some time yet. Canada Life Assurance Co. reports however a very heavy volume in the past week or two and Arthur B. Wood, managing director of the Sun Life, who has just returned from England tells of a "substantial increase" for his company.

Confederation Life is another company writing a good volume of business in Britain and here again an influx of new business of this type is reported particularly in the past two weeks. Imperial Life and Manufacturers are also in the British field but volume of annuity business is not so extensive. Both companies are sharing however in the general improvement in the annuity field which has taken place in recent years.

Dates Back to 1929

Increasing popularity of the annuity dates specifically from the stock market crash of 1929. Since that date insurance underwriters have found that this type of contract—particularly the deferred or retirement annuity—has had a very increased appeal particularly on this continent. Canada Life for instance, more than doubled its sale of annuities in Great Britain last year and to date this year reports a 20 per cent increase in the sale of retirement annuity plans.

A statement appeared recently in United States papers to the effect that Sun Life had doubled its annuity business in the first six months of the year. This statement is unauthorized, The Financial Post learns, although sales of ordinary life annuities have definitely been increased during 1932.

Whether the advantage now held by Canadian companies in the British field in the matter of rates can be maintained is a matter of conjecture. With the increasing difficulty of making satisfactory investments at a high interest rate in Great Britain, Canadian companies may be forced to reduce their rates. In the meantime they are taking advantage of a highly favorable opportunity to do a nice volume of business.

Insurance Inklings

W. J. GRAY, formerly Regina manager of the Manufacturers' Life Insurance Co., has been appointed manager at Calgary. He has been succeeded at Regina by B. C. PORTER, formerly manager at Moose Jaw.

FRED R. McDOWELL has been appointed western branch manager at Winnipeg of the Atlas Assurance Co., Ltd., of London, Eng., and the Essex and Suffolk Equitable Insurance Society, Ltd., to succeed J. N. McLEOD, who has resigned to enter agency work.

Mutual Life of Canada announces that the Brockville and Cornwall agencies of the company have been merged under the managership of J. M. TAYLOR, manager at Brockville for the past 11 years.

R. G. McCUISH, manager of the Canada Life at Vancouver and president of the Life Underwriters' Association of Canada and C. J. KELLER, assistant manager of the North American Life at Vancouver and president of the Life Underwriters' Association of Vancouver, are attending the annual convention of the Life Underwriters' Association of the United States at San Francisco.

Great-West Life Assurance Co. celebrated its fortieth birthday on August 18. It is interesting that R. T. Riley, vice-president of the company since its inception, is the holder of policy No. 1, still in force.

Canada Life Assurance Co. celebrated its eighty-fifth birthday on August 21. The company was formed in Hamilton, Ont., on that date although it was not until October 29 that it actually started to write business.

Ontario Fire Loss Higher in July

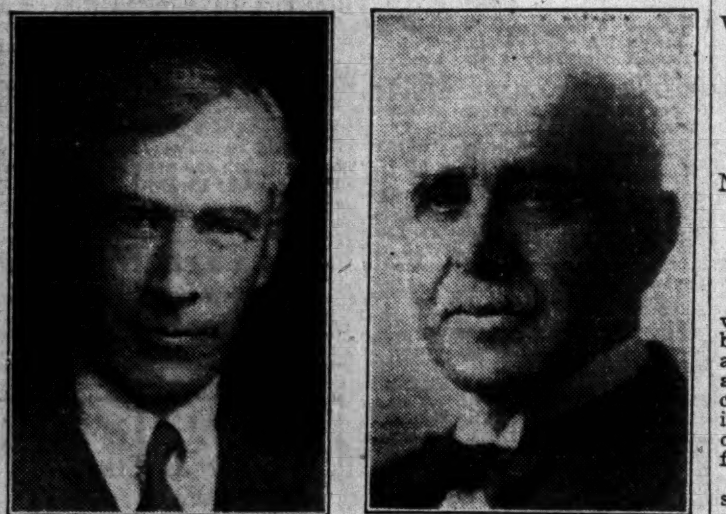
Fire losses in July in Ontario totalled $1,301,936 from 1,045 fires according to the report of the Ontario Fire Marshal. Of the total loss $1,169,638, or approximately 90 per cent was covered by insurance. In July a year ago, there were 1,199 fires resulting in a damage of $811,483 and only 80 per cent was covered by insurance.

For the first seven months of the year, records show that there have been 9,282 fires with losses amounting to $8,073,150, over 88 per cent covered, compared with $8,747 fires in the first seven months of 1931 with losses of $8,483,617 of which 80 per cent was covered by insurance.

General Accident of Can. Says Business Holds Up

Business in all departments of the General Accident Assurance Co. of Canada held up well in the first six months of 1932, according to W. A. Barrington, manager. Any decrease from the figures shown in the corresponding period a year ago are due chiefly to the drop in workmen's compensation business in Quebec, where the new act came into force Sept. 1, 1931, and companies ceased writing business.

New Monarch Life Officials



E. J. TARR — W. A. MATHESON

Following the resignation of W. A. Matheson, who for 14 years has been president of the Monarch Life Assurance Co., of Winnipeg, E. J. Tarr, K.C., was appointed to that office. Mr. Matheson becomes chairman of the board of directors.

Mr. Tarr is a member of the law firm of Craig, Tarr, Armstrong & Hughes, Winnipeg, and has been on the executive and finance committees of the Monarch Life board for some years. J. A. Macfarlane is general manager of the company.

U.K. Loan Conversion Causes Run on "Sinking Fund" Plans

Success of the British war loan conversion plan in recent weeks has created such a demand for "sinking fund" contracts as sold by Canadian life companies in Great Britain, that most Canadian companies have been forced to discontinue this type of policy until new rates can be promulgated.

Sinking fund contracts are a straight guarantee on the part of a life company to pay a fixed sum of money at the end of a definite term of years, in return for an annual "sinking fund" or cash payment. There is no insurance feature attached.

Most Canadian companies were offering these policies on a basis which netted a good 4 per cent return on average term contracts with a higher rate for shorter term contracts. When interest rates dropped sharply as a result of the war loan conversion, there was a rush to buy these contracts and Canadian companies found it necessary to discontinue their sale until rates more in line with new conditions could be revised.

Canada Life, Imperial, Manufacturers and Confederation Life have all stopped the writing of these contracts. Most if not all will probably return to the field shortly with a slightly lower interest return.

Sun Life alone remains with this contract and according to officials of the company, have no intention of withdrawing their sinking fund plans. The contract written by the Sun has been at a higher premium than that of other Canadian companies and therefore its interest return has been lower.

SPRINKLER SYSTEM NOW AVAILABLE FOR RESIDENCES

Valuable Fire Protective Device Available for First Time

COST IS LOW

Not Yet Marketed in Canada—Will be Sold Through Plumbing, Heating Contractors

The vigilant sprinkler head which in the past 30 years has become a familiar figure in thousands of business establishments across the country, may soon become familiar to the home-owner if a newly-announced plan developed by a leading sprinkler manufacturer is successful.

In brief the plan covers the installation in homes of a small sprinkler protective system costing (U. S. prices) from $50 to $250 and offering protection at a very low cost in the most vulnerable parts of the home—usually the cellar where furnaces, hot ashes, rubbish and other fire hazards accumulate.

The plan, just announced in the United States by the Grinnell Co. leading manufacturers of sprinkler systems for factories, warehouses, stores and office buildings, has not been put on the market as yet in Canada.

Company Moves Cautiously

Officials of the company here are moving cautiously in this regard, The Financial Post learns, and are anxious to see how the new units are received in the United States. Distribution there is through plumbing and heating contractors who are now being recruited for authorized installation agencies. It may be several months before any attempt is made to market the new systems in Canada.

The new sprinkler units consist of a loop of copper tubing which carries water to sprinkler heads placed 12 ft. apart—one to every 120 sq. ft. Sprinkler heads are of the new quartz bulb type, which open at 135 degrees, some 30 degrees lower than the old-type solder heads will function. Included is a simple alarm valve.

When fire threatens, a sprinkler head lets go, water pours through the loop, actuating a flapper valve which rings an electric bell.

Installation is equally simple. Tubing is sent out in 10-ft. lengths. One end carries a sprinkler outlet, permanently attached; the other, a tubing fitting. Elbows, tees, threaded joints generally are omitted. The tubing is simply clipped to the floor joists above, with sprinkler heads inverted.

"The low cost opens up an entirely untouched market for home fire protection," says Business Week, New York. "About $50 will cover the installation in a small cottage, $250 a large residence, store basement or lodge hall with many separate rooms necessitating individual protection.

"Plumbing and heating contractors, who have suffered considerably from the slump in new building construction, welcome the new system as a chance to make a profit by doing work on existing buildings."

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

General Accident of Can.

Can you tell me if General Accident Assurance Co. is a reliable company and if I am safe in taking an accident policy with it?

General Accident Assurance Co. of Canada is a sound, well-established concern, regularly licensed under the Federal Insurance Department at Ottawa.

We would not hesitate to advise you to hold an accident insurance policy with this company.

Seven Provinces Ready for New Automobile Act

The new Uniform Automobile Insurance Act has been declared effective September 1, 1932, in New Brunswick by special order-in-council. The Act will not come into force in Alberta prior to the next session of the Alberta Legislature.

The new act comes into force effective September 1, 1932, in the following provinces:

British Columbia, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia.

It will not become effective prior to the 1933 sessions of the legislatures at the earliest in the provinces of: Alberta, Quebec, Prince Edward Island.

GOOD FIRE RECORD SHOWN IN ONTARIO BY MANUF'TURERS

Fire Marshal's Figures Disprove Depression Theories

The excellent showing of manufacturing concerns in Ontario in the matter of fire loss in 1931—a year of acute depression, is a feature of the annual report of the Ontario fire marshall, issued last week.

Ontario manufacturing risks the report shows, reported a decrease both in number of fires and in total losses sustained as compared with 1930. This was a record achieved by no other classification.

Depression Theory False

Commenting on this excellent record the report says:

"It speaks volumes that in a period of depression manufacturing risks have shown so favorable a record. It is another striking illustration that fires in manufacturing risks are more likely to occur in prosperous times than in times of depression."

Total number of fires in Ontario in 1931 was 15,590 as compared with 14,323 a year ago, an increase of 1,267. Total loss sustained, however, was slightly lower by $200,000 at $15,959,800. Of the total loss, all but $2,991,600 was covered by insurance. Fatalities were 104 killed and 224 injured as compared with 126 killed and 274 injured in 1930.

Six fires accounted for 10 per cent of the total and 10 other large fires accounted for another milion dollars of loss. The six largest fires were as follows, all but one of which were in sawmills, lumber and woodworking risks.

Six Largest Ontario Fires, 1931

	Fire Loss
St. Jean Baptist Church, Ottawa	$484,150
Fassett Lumber Co., Nipissing ..	406,422
McFadden Saw Mill, Spragge ...	242,625
Austin & Nicholson Saw Mill, Sudbury District	178,324
Poupore Lumber Co., Gogama ..	154,079
Canadian Wood Products, Rodney	144,027

Analyzed by leading cities, the record of Toronto and Windsor is particularly mentioned. Toronto made a more favorable showing than a year ago, and 1930 was the most favorable showing in its history. Reference is also made to the continued favorable showing of Windsor. Both cities are commended on the splendid fire fighting facilities enjoyed and their good use of the same.

Three-year record for five leading cities follows:

Fire Record of Five Largest Ontario Cities

	Year	No.	Loss	Insurance Loss
Ottawa ..	1929	634	$ 557,454	$ 505,207
" ..	1930	642	970,509	697,075
" ..	1931	745	1,305,579	968,024
London ..	1929	373	189,811	173,628
" ..	1930	301	193,270	167,428
" ..	1931	358	203,402	201,578
Hamilton.	1929	603	586,147	571,131
" ..	1930	639	581,392	485,676
" ..	1931	741	304,199	282,227
Toronto ..	1929	4,145	2,843,769	2,722,844
" ..	1930	4,325	2,208,157	2,069,046
" ..	1931	4,360	2,069,324	1,971,596
Windsor..	1929	236	88,940	85,321
" ..	1930	211	89,021	88,377
" ..	1931	239	76,446	76,124

Dwelling Fires Mount

The fire marshal draws attention to the very distressing increase in the number and amount of loss from dwelling fires. Insurance companies are blamed for their position in this regard and the ease with which, according to the fire marshall, they admit liability and pay claims for fires arising where cigarettes and cigars are concerned. The fire marshal's remarks follow:

"In the ten-year (1922-31) period the number of dwelling fires has increased from 6,209 to 10,897. It is unthinkable that this increase is in any way proportionate to the increased number of dwellings in the province. It is true that the fire loss in this class has only increased about a million dollars but it is equally true that a class of business that for years represented the highest profit to the fire insurance companies is now causing some anxiety.

"We have referred in previous reports to the readiness with which fire insurance companies admit liability for, and pay claims arising from cigarette stubs, cigar ends and matches, where only a singeing and not a fire has occurred. It is manifest that the fire insurance companies are primarily responsible for the tremendous increase in the number of our dwelling claims. They have to be regarded as fires when a claim is paid, but it conveys a very wrong impression to the average reader.

"There are indications that the fire insurance companies are becoming alarmed at the situation. They ought to be. We cannot remedy the condition. The fire insurance companies can, and they ought to!"

Current Events in Banking World

NICKEL COINAGE OF THE DOMINION MADE IN ENGLAND

Approximately 5,000,000 Nickels Added Each Year

Five million nickels will be added to Canada's currency under an order which has just been placed. Approximately this number have been added to the currency each year for the past five and about half that amount for the five years before that. Nickel coins have been manufactured since 1921 when the minting of the silver 5-cent piece was discontinued.

Although no 5-cent silver coins have been issued for the past eleven years there is still a large number in circulation. Their numbers, however, become less every year as any amounts returned to the Receiver General's Department are not again re-issued.

The metal discs for these issues of nickel coins are not manufactured in Canada as there are no facilities in this country for that operation but after being manufactured in England by Henry Wiggin & Co., Ltd., subsidiary of International Nickel, from Canadian nickel, they are shipped to Ottawa for stamping.

No Nickel Mills Here

Operation of a nickel rolling mill in Canada would not be a profitable business as the demand for rolled nickel products in this country is comparatively small. Actually Canada does not use one half of one per cent of the nickel produced within the Dominion.

In order to produce five million discs each the size of a nickel, only about 50,600 pounds of nickel is required, each nickel weighing 4.576 grams. Using an approximate price of 35 cents a pound for the nickel, the value of metal in $250,000 of nickel currency would be $17,700.

Branch Closings Continue Apace In Economy Move

Reduction of the number of bank branches which commenced about the beginning of 1931 continues, with a total of 23 closed during July as compared with only 2 opened. Both of the branches which were opened, one in Ontario and one in Quebec, are sub-agencies. At the end of July the total number of branches in Canada was 3,829 and the total number of branches of Canadian banks was 3,998. These totals are now down to the 1926 level.

After a wave of closings in the Prairie Provinces, banks have apparently turned their attention to Ontario and Quebec as these provinces lead with 9 and 8 respectively in July closings. Three branches were closed in the Prairie Provinces and 3 in British Columbia.

Six banks closed branches during the month, Royal Bank leading with 7, followed by Canadienne Nationale with 6, Montreal with 5, Commerce with 3 and Imperial and Dominion with one each.

City branch offices had the heaviest mortality, three branches in both Montreal and Toronto being closed and two in Vancouver.

Windsor Wholesale Trade

Almost 70 per cent of the wholesale trade of the City of Windsor, in 1930, was in the food and tobacco division, which recorded sales amounting to $5,990,800 out of a total of all wholesale business of $8,627,400.

Says Banks Used Depression To Raise Interest Rates

Correspondent Believes Banks Have Hindered Business Through Excessive Rates and Suggests Central Bank Control Necessary

Editor, The Financial Post:

Your comments on the Canadian banking system in your issue of August 6 fail to deal with one or two very important aspects of the question which appeal, not to the radical so much as to the thoughtful business man and student of affairs.

Is it not a generally accepted principle throughout the civilized world, that the fundamental policy of the banks of a nation is so important to the economic life of that nation that it must be carefully regulated, generally through the influence of a central bank closely associated with the government?

Is it not generally accepted (it is certainly laid down in the Macmillan report) that the welfare of the community must stand before the gaining of immediate profits in the determination of central bank policy? The Bank of England has long been willing to forego profits and even to take losses upon occasions when the needs of the community made necessary such action. It has, moreover, sufficient control over the Joint Stock Banks to ensure that general bank policy shall not run contrary to the needs of the nation.

If these principles are sound, is it not time that the Canadian system became subject to central bank control in the interests of the nation as a whole?

That these questions are of more than academic interest is shown by the policy of our Canadian banks in recent years.

Market Loans Profitable

Is it not true that before 1929 our banks found that loans to stock brokers and market operators were a particularly profitable investment which kept funds agreeably liquid and that, without the extreme readiness of the banks to make loans for speculative purposes, the late boom and its accompanying inflation could not have been carried to the extent that it actually was.

Is it not true that to help us to climb out of our present depression very low interest rates are almost essential? The Macmillan report was unanimous on this point and Britain's recent experiences supply practical evidence of its truth.

There are two major beneficial effects of low interest rates. They encourage people to take advantage of existing low prices, perhaps to build, or perhaps to stock up more freely with goods, and they raise the market value of fixed interest securities. The first stimulates the flow of goods and the second has a tonic effect upon the market and upon confidence in general.

We need every legitimate stimulus available in times like the present, yet is it not true that Canadian banks used the depression as an excuse to raise interest rates?

No Speculative Loans

To speak of protecting depositors by high interest rates is nonsense. No soundly managed bank should make a speculative loan for high interest returns. Either its loans are sound, in which case the excuse for raising the interest rate disappears or the loan should not be made.

The result of the policy of our banks is that the current rate for first mortgages is 9 per cent and so the greater part of the incentive which low prices of materials give to the person who wishes to build is absorbed and one of the most valuable forces making for natural recovery counteracted.

The Canadian banks have very profitable privileges in the creation of bank credit and in the issue of notes. The nation has the right to demand in return that the banks act as responsible trustees for the economic welfare of the community and not as privileged but irresponsible profiteers.

These are matters which need to be considered by conservative opinion interested in the economic health and the business prosperity of Canada as a whole.

FRANK WILSON, B.Sc.
Matsqui, B.C.

Bank Chat

Canadian Bank of Commerce announces the following changes in connection with its branches:

FORDWICH, ONT.—After Aug. 31, this branch will be operated as a sub-agency to the Gorrie branch and will be open for business on Monday, Wednesday and Friday of each week.

GORRIE, ONT—After Aug. 31, this branch will be open for business three days a week only, namely: Tuesday, Thursday and Saturday.

MARBLETON, QUE.—Commencing Sept. 1, this sub-agency to the Bishop's Crossing branch will be open for business on Monday and Thursday of each week, instead of daily as at present.

WEEDON, QUE.—Commencing Sept. 1, this branch will be operated as a sub-agency under the supervision of the Bishop's Crossing manager and will be open for business daily.

Imperial Bank of Canada have let a contract for the erection of a new building in St. Vital, Man., where a branch of the bank was first opened in February, 1921. The site upon which the new building is to be erected was acquired two years ago.

JULY BANK DEBITS GAIN OVER JUNE

Only Toronto, Ottawa and Regina Better Than Year Ago

Bank debits in July after seasonal adjustment showed a gain of 1.8 per cent over the preceding month, mainly on the influence of higher debits in Toronto. Total deposits actually showed a decline before adjustment, the totals being $2,175,600,000 in July compared with $2,202,800,000 in June.

Only the Maritimes and Ontario recorded actual gains over June, with Ontario making the better relative showing. Debits in Ontario were $975,900,000, a gain of 12.2 per cent after seasonal adjustment and the gain in Toronto was nearly 20 per cent.

Compared with a year ago, debits were down 9.4 per cent, Ontario making the best showing with only a 3.3 per cent decline, while Toronto debits were actually 0.4 per cent greater than in July, 1931. British Columbia shows the largest drop with 23.3 per cent followed by Quebec with 15 per cent.

Debits of principal cities compared with a year ago are:

Bank Debits to Individual Accounts

	July 1932 $	July 1931 $
Halifax	24,035,506	28,198,032
Moncton	6,180,147	6,248,105
St. John	15,937,810	17,726,291
Maritimes	46,173,463	52,172,428
Montreal	587,632,405	688,234,135
Quebec	54,284,722	66,047,459
Sherbrooke	5,532,013	7,475,764
Quebec	647,449,140	761,757,358
Brantford	8,532,350	9,751,183
Chatham	4,308,727	5,066,024
Ft. William ...	5,426,039	6,804,281
Hamilton	40,146,912	57,266,205
Kingston	5,373,163	5,929,519
Kitchener	8,123,630	9,590,674
London	28,838,433	30,582,797
Ottawa	132,619,042	131,836,204
Peterborough ..	4,818,683	6,672,300
Sarnia	8,816,157	9,148,315
Sudbury	3,123,615	4,852,626
Toronto	708,837,937	706,211,204
Windsor	16,964,437	25,263,167
Ontario	975,929,125	1,008,974,499
Brandon	2,722,583	3,032,117
Calgary	34,624,334	47,322,389
Edmonton	28,920,005	35,436,545
Lethbridge	3,015,591	4,500,481
Medicine Hat ..	1,742,644	2,264,471
Moose Jaw	5,620,336	7,854,567
Prince Albert .	1,681,780	3,535,439
Regina	35,899,007	28,447,082
Saskatoon	8,823,776	11,307,893
Winnipeg	264,715,993	279,619,336
Prairies	387,765,999	423,320,811
New Westminster	4,575,227	6,064,130
Vancouver	91,744,157	121,259,601
Victoria	21,953,401	26,855,642
Brit. Columbia	118,272,785	154,179,373
CANADA	2,175,590,512	2,400,403,969

Cattle Exports Record Gain

Canadian cattle exports to Great Britain during the present season of navigation, up to August 22, amount to 15,641 head, which is an increase of 1,156 head over shipments for the similar period of last year.

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THE WAWANESA MUTUAL INSURANCE CO.
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NORTHWESTERN MUTUAL FIRE ASSOCIATION
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HEAD OFFICE FOR CANADA HAMILTON ONTARIO
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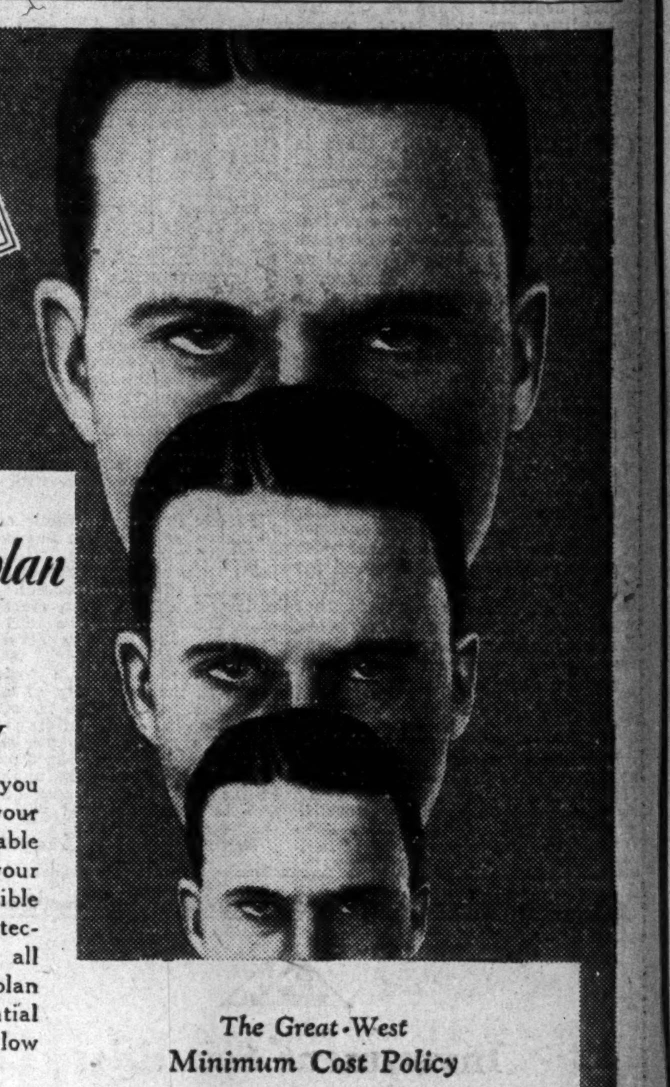

Look over this plan
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Wouldn't it be worth a lot to you to know for certain that your family would be left in comfortable circumstances in the event of your early death? This is now possible for every man, for ample protection is within the reach of all through a Great-West Life plan which provides a very substantial amount of insurance at very low cost.

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Age	Premium	Age	Premium
25	$13.80	40	$22.35
30	15.80	45	27.50
35	18.85	50	34.40

THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE WINNIPEG

Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Page-Hersey; Imperial Oil

I am considering the purchase of certain Canadian common stocks for investment and would like your opinion of Page-Hersey Tubes and Imperial Oil. Would these stocks be suitable as conservative investments?

Page-Hersey Tubes has a very encouraging record for the investor, in spite of the fact that in 1931 and 1932 there has been decreasing demand for tubes, because of dropping construction, falling off of drilling oil wells and general paucity of new enterprises. The company has been well managed over a long term of years, has eliminated its bonded indebtedness in the last six years, and has converted both preferred stocks into common. The company has a strong financial position. Much depends for this company on how long the depression will last and when the revival of building and other projects takes place.

Imperial Oil has paid dividends for 15 years, dividends being increased from time to time with occasional bonuses. It is very strong financially and in the last year its earnings were sufficient to cover dividends, although 60 per cent of these were earned outside of Canada by International Petroleum and other foreign subsidiaries. This company, and other leading Canadian oil companies, has been able to earn its dividends with something over in the past few years, because of the protection given by the raised duty and the valuation clauses in the dumping act. Protection was given due to the demoralized price structure in the United States. It may be that new refineries now being built by the Shell Oil Co. will increase domestic competition.

Hudson's Bay Co.

There was some talk several months ago about placing the operation of the Canadian end of The Hudson's Bay Co. in the hands of a separate corporation, other than directly under the organization in London.

We have not seen anything definite as to whether this plan was carried out or not, and are wondering if you have any knowledge as to whether or not this change was put into effect.

During 1931 many changes took place in the organization of Hudson's Bay Co., the general plan adopted being new capitalization with greater responsibility placed on those in charge at the base of operations.

The present organization consists of an administrative committee in Canada charged with the control of the company's operations in the Dominion and general manager, who is the company's chief executive officer in Canada. The governor of the London committee retains control of the policy and financing. The sales department is controlled in Winnipeg and comprises retail stores in Vancouver, Victoria, Kamloops, Vernon, Nelson, Calgary, Winnipeg, Saskatoon, Edmonton and Yorkton, and wholesale branches in Winnipeg, Saskatoon, Regina, Edmonton, Vancouver and Calgary.

It was proposed that the company's Canadian stores should be segregated with the other business of the company, by the formation of a Canadian company to be called the Hudson's Bay Company Stores Limited, registered in Canada, and that the stores and store business be conveyed through it, and that the London business thereafter primarily be confined to the fur business and the realization on and management of the land. This was a recommendation of the special committee, and most of its recommendations were put into effect, except the one that the Canadian stores be segregated by the formation of a Canadian company. This is still held a more feasible policy when stock market and other conditions permit the securing of Canadian participation on a basis considered fair to the company by the proprietors.

B. A. Oil; Imperial Oil

Would you please discuss the relative position of British American Oil and Imperial Oil as conservative investments? What is their position with relation to the present situation in the oil industry?

British American Oil became a fully integrated oil company in 1931, developing important crude oil production in East Texas and in Oklahoma and securing leased oil tonnage to bring the crude to its new and modern refinery at Montreal and buying new lake oil tankers to carry part of this on to its refinery at Toronto. It now is in the oil business all the way from the well to the ultimate consumer. It was one of the few oil companies in 1931 to register a gain.

Imperial Oil is the leading Canadian oil company inasmuch as it is in the business from the Atlantic to the Pacific, but it is also a world company earning 60 per cent of its 50 per cent annual dividend by earnings outside of Canada. Its principal earnings from foreign sources are by International Petroleum which directly and through a subsidiary is exploiting important concessions in Peru and in Colombia. Recent duties on crude oil in the United States may force this subsidiary to seek foreign markets, but apparently the directors believe they will be able to make the transfer from markets in the United States to other markets without difficulty. They are probably increasing their exports to Canada, Great Britain and to South American countries, and it is possible for them to erect more refineries in South America as markets develop. It is one of the strongest Canadian companies financially and has an impressive background in that its parent company, Standard Oil of New Jersey is able to try out new processes and developments which should be available for Imperial Oil.

Considering the position of oil companies one must also realize that they are protected by the depressed price structure in the United States, by much higher duties, including dumping duties, than existed before September, 1930. There have been demands from the prairie provinces and from the fishermen of both coasts for a drop in duties in order that they might avail themselves of the cheap gasoline of the United States. The present government had an investigation and chartered accountants went over Imperial Oil books and those of B. A. Oil, and found that a reasonable profit was being charged, one that amounted to about one cent a gallon in 1930 for Imperial Oil.

The point is that if these duties were to be lowered before the prices created by distressed selling in the United States had revived it, it would press heavily into the profits of even these leading companies in Canada, since decline in duties is not expected. Some companies which have been importing gasoline have been constructing refineries in Canada, more especially Shell Oil Co. of Canada which is now in the process of constructing a large and modern refinery in Montreal. It will probably construct another, elsewhere in Canada. Thus growing competition in Canada mainly on crude oil imported from other countries is possible.

In the present situation both Imperial Oil and British American Oil are doing well. So far as the future is concerned British American Oil's earnings fluctuate with conditions in the industry and business generally in Canada, whereas Imperial Oil is apt to show the result of world conditions more closely. Imperial Oil is the strongest financially and is probably best fitted of all the companies to withstand the gaff of Canadian competition, as well as of such depressing times as have been experienced recently.

Robinson Cone

Could you tell me why Robinson Cone is not quoted at 7 after having held at 12 for some time. I do hope they are able to continue their dividend.

Since Robinson Consolidated Cone Co. has not issued the financial statement since 1928, there is no way of telling how large a surplus has been built up during the past few years which might serve to stabilize dividends. The company manufactures ice cream cones and soda fountain sundries and since ice cream sales are known to have shown a substantial drop in the current year, it would seem probable that business of Robinson Consolidated Cone had also been affected adversely. While the stock is listed on the Toronto Curb Exchange, there is practically no market interest and only three transactions have gone through this year. The first, earlier in the year, was at $12 a share, while more recently the stock sold at 7 and 7½. In view of the very small volume of trading, a spread of 5 points in the stock is not unusual.

Abitibi Bonds

I am the owner of $15,000 worth of Abitibi 5 per cent bonds, due 1953, and would like your advice as to what I should do with reference to them. Should I keep them in my safety deposit box, or hand them over to The Bondholders' Association that I understand has recently been formed?

As I have no idea of the standing of this Bondholders' Association, or how they were appointed, I am quite at sea as to the best course to pursue, and would be very much pleased to have any information or advice that you may give me.

A protective committee for the 5 per cent first mortgage gold bonds, series A, due 1953, of Abitibi Power & Paper Co. was formed early in June and while its membership is predominantly representative of United States interests who hold the largest proportion of the bonds outstanding, there are four Canadian representatives, including Charles M. Bowman, chairman of the Mutual Life Insurance Co., Waterloo; Andrew Fleming, Montreal; John Leslie, vice-president of the C. P. R., Montreal, and E. E. Reid, managing director of the London Life Assurance Co., London, Ont. The offices of the committee are at 611 Royal Bank Building, Montreal, and F. C. Curry is secretary. Bondholders and preferred stockholders have been requested to deposit their securities with the Montreal Trust Company, Montreal and Toronto.

There would appear to be no immediate rush for you to deposit your bonds, but you might get in touch with the bondholders' committee and apprise them of your holdings and ask them for a copy of the protective agreement which should include a statement of the probable cost, or maximum cost to bondholders. It is quite possible, of course, that Abitibi Power & Paper will absorb any reasonable costs that the protective committee has had to incur.

To date there have been no announcements of any developments in the Abitibi situation, although some announcement is expected shortly. Rumors circulated in New York would indicate that the company may pay up bond interest, but whether these rumors are based on fact or fancy we do not know. A great deal depends on whether the Ontario Hydro-Electric Power Commission takes over the Ontario Power Service development.

Ont. Power Service

I own a $500 bond of Ontario Power Service Corp. Is it advisable for me to deposit my bond and accept the offer made by the Hydro-Electric Power Commission of Ontario?

In our opinion bondholders would be well advised to accept the offer of the Ontario Government to exchange Ontario Hydro-Electric Power Commission bonds for bonds of Ontario Power Service. It might not be as great a return as they had expected when they bought the Ontario Power Service Corp. bonds but they would be exchanging the insecurities and uncertainties of the present position for a bond that would be marketable and subject to less fluctuation and to that extent it is a good thing.

Holt, Renfrew

Among my holdings is a bond of Holt, Renfrew and Co. I would be much obliged if you would give me some information on the company's operations in the past year and some data on its past record and outlook.

Holt Renfrew & Co. has a record of successful operation since 1920 but in the year ended January 31, 1932, effects of business conditions found reflection in earnings. Operations in that year resulted in a loss of $89,083 which was increased to a deficit of $211,816 after all charges. In previous years, however, the company has succeeded in earning its bond interest by a good margin; interest requirements last year were only $31,200, and the balance sheet showed no bank loans outstanding. Retail trade conditions generally, but in furs particularly, were responsible for the showing last year; it may be proposed that with a quickening in business activity sales of the company will show an improvement though not much gain can be expected during the current year.

Woods Manufacturing

What was the result of Woods Manufacturing Co. operations last year? I purchased one of this company's bonds some time ago and am wondering whether I should sell it today or wait an improvement in general conditions.

Woods Manufacturing Co. reported a loss on operations of $30,666 in 1931. After all charges there was a deficit of $171,268. The decline in the company's revenue was due largely to the sharp drop in inventory values as well as difficult selling conditions. Balance sheet, however, was not unsatisfactory and bank loans had been sharply reduced to $19,000 from $225,000. The company's earnings have shown a tendency to fluctuate widely. Nevertheless interest payments have been met regularly though they have not been earned for the past two years.

You would face a capital loss in the event of a sale; the relatively small bonded indebtedness of the company and the recent improvement in commodity prices are two factors which might be remembered when viewing the company's poor reports in the past two years.

Dominion Bridge

What would you say to the purchase of some shares in Dominion Bridge Co. at the present time? I have a long hold in mind; what are immediate prospects for the company?

Any marked improvement in the situation surrounding Dominion Bridge must await an upward swing in major construction projects. A goodly portion of the company's revenue in its best years accrued from large contracts arising from corporations' capital expenditures; as you know, capital outlays are likely to be restricted for the next year or two. It may be expected that earnings for the current year, which ends October 31, will show declines, and an investment in stock should be made with a view to the long term trend.

The financial position of the company as shown in the last balance sheet was satisfactory. In its prosperous years, Dominion Bridge built up substantial reserves, and its cash and investment holdings at the end of October last year, totalled $6,000,000. The company's properties are wide spread and its business has assumed a national aspect.

De Forest Phonofilm

As a shareholder of De Forest Phonofilm of Canada I have received a letter from De Forest Sound Equipment Ltd. in which it is stated that the latter has bought out the assets of the Phonofilm Co. now in liquidation. I am offered 10 shares of new 8 per cent preferred, par value $2, and 10 shares of new common, all for $20. What do you think of this offer; should I take it up? I am enclosing the circular letter.

Development of sound pictures in the past few years has brought about keen competition in the sound equipment industry. Large companies with substantial funds at their disposal have been able to develop this field in a satisfactory way; smaller companies have had a difficult time competing with their larger, and in most cases, more efficient, contemporaries.

As you will note, this has found reflection in the affairs of De Forest Phonofilm of Canada which has been in liquidation for some time. The company has made little progress since its inception and there has been no market for its stock for some years. Prospects for the De Forest Sound Equipment Limited, which has bought the assets of the old company, are not particularly impressive. The company is in competition with Western Electric and similar organizations. No annual record of profits in the past is included in the letter to shareholders and no mention is made of the company's financial position.

Nova Scotia Light

As a subscriber to The Financial Post I am writing to enquire whether you have any news on the progress made by Nova Scotia Light and Power Co. during the current year. I possess one of this company's bonds as well as one of Avon River Power Co. Do you know whether interest is being earned on these two securities?

We are informed that earnings of Nova Scotia Light and Power Co. in the first half of this year were practically identical with those of the same period last year. What progress will be made in the last six months of 1932 remains to be seen, but judging from results obtained to the end of June, prospects may be considered encouraging. As you may remember, bond interest was earned 1.88 times in 1931 after depreciation and other charges.

Avon River Power Co., subsidiary of Nova Scotia Power, does not publish a financial statement; the last balance sheet to be released was at the end of 1928. Our understanding is that earnings of this company are showing improvement this year and are sufficient to cover interest charges. Nova Scotia Light and Power is the leading utility in the province. Its properties have been substantially extended in the past few years.

Municipal Service

I hold some preferred shares of Municipal Service Corp. I understand this company has been reorganized; is there any hope of my obtaining anything for my old holdings?

In the reorganization of Municipal Service Corp. carried out in 1930, preferred and common shares were eliminated. The only security holders to receive anything were the bondholders, who were given a new class "A" stock for their holdings. The new company is known as Consolidated Utilities; several of the old properties owned by Municipal Service Corp. have been disposed of. We are informed that there is no possibility of preferred shareholders recovering anything for their holdings.

Loblaw

I would like to know what you think of Loblaws' as a buy right now. Three years ago I bought this stock at much higher prices and want to know if it would be a good thing to buy now to even up my losses.

Loblaws' Groceterias Co. has maintained earnings in a very satisfactory manner during the past three years and at the present time there is every reason to believe that the company will show continued progress. Earnings, as you are doubtless aware, have been more than 50 per cent in excess of the current dividend rate of 80 cents per share, and there is some reason to believe that once general business conditions show definite improvement the 80 cent dividend might be increased to $1. Decrease in sales has been entirely due to the reduction in commodity prices and the physical volume and unit volume of sales has increased. It is probable that unit volume of sales can be maintained or even improved and if commodity prices increase, dollar sales volume will show substantial improvement. New sales policies inaugurated by the company during the past year include sales of bread, meat and other lines, and the full possibilities of the meat business have not as yet been attained. The company also has a substantial interest in a chain of some 55 stores in the Buffalo district, which we believe are operating at a profit and eventually will pay dividends to the parent company.

Price range of stock in the past three years has been relatively stable and at the recent price of 11 5/8 for the A stock and 11¼ for the B stock, prices are somewhat under the average for the three-year period. Stock sold as high as 24¾ in 1929 and as low as 9 in 1932, while the class B stock was as high as 24 in 1929 and 8 in 1932.

Puts and Calls

Will you please put me in touch with or give me the addresses of houses dealing in Puts and Calls on weekly and monthly bases both in Toronto and Montreal. Certain houses used to publish such lists, set a time basis on them and show a selected list of Canadian and American stocks on which they set the Puts and Calls.

So far as we are aware there are no Canadian brokerage houses of good repute dealing in Puts and Calls on either Canadian or American stocks at the present time. This type of business is more or less frowned on by the major Canadian stock exchanges, and the New York Stock Exchange. We understand that certain houses handled transactions of this type some years ago but the results were not always satisfactory from the investor's standpoint and the practice has been discontinued.

Mutual Associates

Will you tell me what you think of the Mutual Associates Ltd. Their certificates are being offered locally just now.

In undertaking the purchase of an accumulative income certificate, issued by Mutual Associates Ltd. you will be obligating yourself to make monthly payments over a period of 11 years and while a compulsory savings plan is beneficial to certain types of investors, there is always the possibility that some unforeseen development might force you to withdraw from the contract. The cash surrender value of your certificate would not equal the actual amount of cash you would pay in, not including interest, until the end of the eighth year. On this basis it would appear to be more satisfactory to the investor if regular monthly deposits had been made with a trust and loan company at the rate of 4 per cent interest, since at any time this deposit could be withdrawn without loss in order to meet any emergency that might arise.

If you completed your monthly payments through the 11-year period and accepted return of your principal at the rate of $200 annually for 10 years, you would get an investment return of approximately 3.35 per cent. If you took the cash value of your certificate at the end of 11 years amounting to $1,650 you would receive less than 3.35 per cent and if you took out your capital at the end of 21 years after your first monthly installments you would receive a return of 3.9 per cent. This net return does not include any profits which might accrue from the operations of Mutual Associates Ltd. and of which you might expect your share, but on the other hand these profits are an absolutely unknown quantity at the present time, and so far as we are aware the company has not even attempted to estimate what these profits will be. In any event it would be entirely unsound to predict profits ten years hence.

New York Exchange

I would like to get some information with reference to the probable trend of New York exchange within the next few months if such a forecast can be made. One year ago exchange on New York was less than 1 per cent, but jumped in September to around 6 per cent and then climbed steadily to its present position.

Is there any reason this should stay up, or is there any reason for its going down?

Any prediction as to the probable course of exchange rates on New York funds during the next few months would be presumptuous on our part since there is no way of accurately measuring the factors causing fluctuation of exchange, and even the acknowledged experts in exchange admit that they cannot predict with any degree of accuracy.

In some quarters the opinion is held that the exchange on New York funds may go to 20 per cent, while others feel that the trend is definitely down and exchange may approximate 7 per cent or 8 per cent in December. In the last week or ten days there has been some weakening in premium on New York funds formerly around 15 per cent and is now down around 12½ per cent. Normally the Canadian dollar is stronger in terms of New York funds during the fall months due to the payment in New York funds for commodities exported by Canada, chiefly wheat. The situation in September, 1931, is not comparable with the average, due to the fact that Great Britain went off the gold standard on September 20 and immediately there was a drastic re-alignment of exchange rates throughout the world.

With improvement in world wide business conditions there should come a strengthening in exchange. We are inclined to believe that the tendency will be for Canadian funds to move nearer par in terms of New York funds, but we would not care to make any prediction as to developments in the immediate future.

B. C. Power

Please give me a brief outline of British Columbia Power Co. What have been the high and low quotations on the class "A" and class "B" stocks? What is their general position and prospects at the present time?

British Columbia Power Corp. was formed in May, 1928, as a holding company for British Columbia Electric Railways and subsidiary companies which operate public utilities around Victoria, Vancouver and other British Columbia municipalities. B. C. Power has outstanding $14,000,000 of first refunding and collateral trust sinking fund bonds in two series, 1,000,000 shares of class A preferred stock and 1,000,000 shares of class B common stock, both stocks being of no par value. Class A stock was offered publicly in May, 1928, and carried a bonus of Class B stock. Original offering of the A stock was at $60 per share and B shares sold up to $61 in 1928 and reached a low of $15 in June, 1932. The B stock sold at 43½ in 1928 and down to 3¾ in April, 1932. There has been no change in the common stock since issue and no dividends have been paid. Dividends on the class A shares are non-cumulative and have been paid at the rate of $2 per year since issue.

Earnings of the company in the year ended June 30, 1931, amounted to $2.44 per share on the class A stock compared with $2.19 per share the previous year and $2.63 in 1929. Net earnings in the year ended June 30, 1932, showed a drop of some 7 per cent below net earnings in the previous year, and it would appear that earnings would approximate the class A dividend rate. Operations of the company have been adversely affected by business conditions in British Columbia but the company is in a position to make progress with any return of normal business conditions.

David et Frère

As a subscriber to The Financial Post could you tell me what progress David et Frère is making this year? Is the company doing well? Could you give me some details of last year's income?

The biscuit manufacturing industry is passing through a difficult time. Competition is very keen and drastic price-cutting has once again broken out with the result that profits on sales are almost negligible. Our understanding is that David et Frere is feeling the effects of this situation and though no official information is available regarding earnings, it is indicated that little progress is being made this year.

In 1931, operations resulted in a loss of $13,157 compared with a profit of $103,127 in the previous year. After depreciation and disbursements on the Class "A" stock, now suspended, there was a deficit of $80,792 in 1931. A balance of $71,001 was brought forward into the current year. The report showed balance sheet position somewhat weakened and a drop in working capital from $251,532 to $136,319 at the end of the last year.

New Brunswick Crop Prospects

Oats, wheat and barley in New Brunswick are all headed out and making very satisfactory progress, the regular report of the New Brunswick Department of Agriculture says, adding that the general provincial crop aspects improved during July and present indications are that, with the exception of potatoes, the total yield of all crops will reach or exceed the average.

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BANK notes, bonds, stock certificates, stamps—these and other monetary "symbols" to the value of millions of dollars are constantly under our guardianship.

No loss whatsoever has ever occurred in any contract entrusted to our care.

This record, of course, is not luck. It is the result of the extreme measures, both human and mechanical, which we take to guard against loss or mistakes—precautions which more than 100 years of experience have developed and perfected to the last degree.

It will be a matter of satisfaction to you to know that our guardianship of your securities is absolute—both before and during the process of manufacture, and until they are safely in your possession.

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The Royal Bank of Canada is typical of Canadian progress. Starting as a small local bank in Halifax, it has moved steadily forward through the various booms and depressions of the past 63 years. In enterprise, experience and established strength, The Royal has long been recognized as one of the great banking institutions of the world.

The ROYAL BANK OF CANADA

CAPITAL $35,000,000 RESERVES $39,155,106 ASSETS over $725,000,000

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 30th September, 1932, being at the rate of ten per cent per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 1st day of October, 1932, to shareholders of record of the 20th September, 1932.

By Order of the Board.

C. A. Bogert, General Manager.

Toronto, 18th August, 1932.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Common Dividend No. 13

NOTICE is hereby given that a Dividend of 20c. per share (being at the rate of 80c per annum) has been declared on the outstanding Common Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending September 30th, 1932, payable October 25th, 1932, to shareholders of record at the close of business on September 30th, 1932.

By order of the Board.

L. C. HASKELL, Secretary

Montreal, August 23rd, 1932.

UNDER THE MANAGEMENT OF POWER CORPORATION OF CANADA LIMITED

Canada Northern Power Corporation, Limited

Preferred Dividend No. 31

NOTICE is hereby given that a Dividend of 1¾% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending September 30th, 1932, payable October 15th, 1932, to shareholders of record at the close of business on September 30th, 1932.

By order of the Board.

L. C. HASKELL, Secretary.

Montreal, August 23rd, 1932.

STANDARD STEEL CONSTRUCTION COMPANY LIMITED

Notice is hereby given that a quarterly dividend of 75 cents per share has been declared on the Class "A" Cumulative Redeemable Preference Shares of Standard Steel Construction Company, Limited, payable on the 1st day of October, 1932, to shareholders of record on the 15th day of September, 1932.

By Order of the Board.

J. J. Breen, Secretary.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1932.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1932.

The above Dividends are payable on Saturday, the 1st day of October, 1932, to shareholders of record at the close of business Thursday, the 15th day of September, 1932.

By Order of the Board.

MERVYN OFFER Secretary.

Montreal, 23rd August, 1932.

MONTREAL COTTONS LIMITED

NOTICE IS HEREBY GIVEN THAT A QUARTERLY DIVIDEND OF ONE AND THREE QUARTERS per cent (1¾%), being at the rate of Seven per cent (7%) per annum, has been declared upon the Preferred Stock of the Company, also a Dividend of One and one-half per cent (1½%), being at the rate of Six per cent (6%) per annum, has been declared on the Common Stock and both payable to all shareholders of record August 31st, 1932, and that cheques will be mailed on the 15th day of September, 1932.

By order of the Board.

HUGH A. WILSON, Secretary-Treasurer.

The Bell Telephone Company of Canada

Notice of Dividend

A dividend of one and three-quarters per cent (1.75%) has been declared payable on the 15th day of October, 1932, to shareholders of record at the close of business on the 23rd September, 1932.

W. H. BLACK, Secretary-Treasurer.

Montreal, 24th August, 1932.

DIVIDEND No. 20

HIRAM WALKER-GOODERHAM & WORTS LIMITED

Controlling and Operating Hiram Walker & Sons, Limited Gooderham & Worts, Limited Distillers & Bottlers in Bond

NOTICE is hereby given that the quarterly dividend (No. 20) of twenty-five (25c) cents a share has been declared on the outstanding no par value Cumulative Dividend Redeemable Preference Capital Stock of this Company.

This dividend is payable September 15, 1932, to shareholders of record at close of business August 27.

By order of the Board,

FLETCHER RUARK, Secretary and Treasurer

Walkerville, Can., August 22nd, 1932.

AGNEW-SURPASS SHOE STORES LIMITED

NOTICE

Preference Dividend No. 18

A dividend of 1¾% for the Three Months ending September 30th, 1932, has been declared on all the issued Preference Shares of the Company, payable October 1st, 1932, to Shareholders of record as at the close of business, September 15th, 1932.

By Order of the Board.

K. R. GILLELAN, Secretary.

July 6th, 1932.

Calgary's Retail Business

Retail business in Calgary during 1930 amounted to nearly fifty million dollars. There were 1,008 retail stores in the city with sales amounting to $44,756,600 and 378 service establishments with gross receipts of $4,641,000. In the former there was a payroll of 4,605 employees who received salaries and wages of $5,657,200.

BURNER PLAN TIES OIL CO'S FOR 5 YEARS

Imperial and B. A. Oil Enter New Merchandising Field

INSTALLMENT PLAN

Hope to Increase Fuel Oil Sales; Trial is Made in Certain Centres

Impetus to the sale and use of oil burners for domestic heating purposes is seen in the five year financing plan offered by Imperial Oil Ltd. and British-American Oil Co. and which carry a five-year guarantee and free servicing for that period. Through their respective offices these companies place their resources and good will behind the respective burners handled and in merchandising a new line are creating demand for fuel oil that is expected to increase.

Imperial Oil Ltd., first in the field, advertised its plan late in July and results to date are stated to be satisfactory although the entire offer is largely confined to Toronto, Ottawa and Hamilton. The Gilbert & Barker oil burner, manufactured by a Canadian subsidiary of Standard Oil is offered for $495 cash or $545.71 over a five-year period during which monthly installments amount to $9. Provided the burner has used Imperial fuel oil, the burner is guaranteed for the five-year period while installation and servicing is free.

Use Service Stations

Sales are handled by the existing sales organization including Imperial Oil service stations. In a number of stations the oil burners are on display while others have demonstration units installed. The selling season is largely limited to the summer and fall months. If the plan proves entirely successful the offer will be extended to other centres where provision will be made for servicing. Increase in fuel oil sold by the company will depend largely on the number of burners sold but it is understood that the average installation uses some 2,000 gal. of fuel oil annually which has a present price of 9.6 cents per gal.

British American Oil Co. announced a similar plan on August 30 and is selling the Fess automatic oil burner, manufactured by a subsidiary of Service Stations Ltd. The financing plan is slightly different since after the initial payment of $25 no further monthly payment need be made until the spring. The offer also carries a guarantee for five years and free servicing for that period.

The B. A. Oil offer applies to Greater Toronto only at the present time and company officials state that sale of fuel oil is not the greatest incentive since it is believed that the plan offers good opportunities for sale of other B. A. Oil products to oil burner buyers. Choice of six Fess models is available and the Fess Company has withdrawn from the Toronto territory leaving B. A. Oil as sole representative. Sales will be made through trained Fess salesmen and through B. A. Oil service stations. The financing plan provides for entire payment in cash, for payment in monthly installments over any period up to five years or for payment over five years made only during the six summer months.

Trade Has Objections

Considerable differences of opinion in the trade are reported by Sanitary Engineer. Objection by some dealers in oil burners is taken to the five-year guarantee which is believed to be far too long to be profitable to the oil companies. The usual guarantee is for one year only. Small defects claimed by inexperienced customers may mean expensive servicing; the five-year term of payment may result in burners being returned after one or two years while new models being introduced from year to year might also result in dissatisfaction. Executives of the oil companies place little weight on these objections and believe that the equipment offered will stand up with little or no servicing after the first year and that the advantages of oil burners for domestic heating will be so tangible and apparent to buyers of oil heating equipment that the burners will stay sold. In a circular issued by Imperial Oil it is stated that the company "assumes undivided responsibility for the satisfactory operation of the oil-burning equipment for the next five years."

In 1930 Imperial Oil assumed the wholesale and retail distribution of Atlas tires in its numerous service stations throughout Canada and guaranteed the tires for a period of one year for passenger cars and six months for commercial trucks. At that time the guarantee was so broad as to be practically unique.

United Cigar Crash Confined to U. S.

From Our Own Correspondent

MONTREAL. — United Cigar Stores of Canada, in which Imperial Tobacco Co. of Canada has a substantial stake, is in no way affected by the receivership granted to United Cigar Stores of America. The two companies are entirely separate and distinct organizations, according to official statements.

Imperial Tobacco included United Cigar Stores of Canada among its subsidiaries and associated companies early in 1931. The retail chain is the largest distributing organization of its kind in Canada and offers a wide outlet for the products of the Imperial Tobacco.

NOTICE

Town of FORT ERIE

Sealed tenders marked "Tenders for Debentures" will be received by the Clerk of the Town of Fort Erie, at Fort Erie North, Ontario, until 5 o'clock p.m., on Monday the 19th day of September, 1932, for the purchase of:

$161,692.84 — 15 year 6% Local Improvement Debentures

$48,567.69 — 30 year 6% Local Improvement Debentures

Lowest or any tender will not necessarily be accepted. Full particulars may be obtained from Treasurer's office.

Wm. C. Tait, Clerk, Fort Erie North, Ontario.

Wanted Junior Executive

Montreal bond house with branch in Quebec City has a sales and administrative opportunity for a man capable of becoming a junior partner. Must be bi-lingual.

Please write fully. Box 95, The Financial Post, 1070 Bleury St., Montreal. Correspondence confidential.

Gold or Metal Mining Companies

Competent mining man with over 20 years practical and technical experience, mostly in Northern Canada, covering exploration, development, operating, construction—would consider a position of responsibility, field work or similar proposition. References supplied. Available after Nov. 1st, 1932.

Write Box 42, The Financial Post, 1070 Bleury Street, Montreal

THE ONTARIO MUNICIPAL BOARD

NOTICE IS HEREBY GIVEN that the Board of Trustees of the Roman Catholic Separate Schools for the City of East Windsor has made application pursuant to the provisions of Part VI of "The Ontario Municipal Board Act, 1932," by an Order of The Ontario Municipal Board bearing date the 8th day of August, 1932, and from and after the first publication of this Notice in the "Ontario Gazette" all actions or proceedings against the said Board are stayed and thereafter no action or proceeding against the said Board shall be commenced or continued nor shall a levy be made under a Writ of Execution against it without leave of The Ontario Municipal Board.

Dated this 8th day of August, A.D., 1932.

H. C. SMALL, Secretary of The Ontario Municipal Board.

INTER. POWER PROFIT AHEAD IN HALF YEAR

(Continued from page 1)

This subsidiary has made consistent progress. New hydro-electric plants have been built, scope of operation has been steadily widened, while earnings have tended to increase.

In 1931 revenue of Porto Rico Power touched a new high peak and after all charges earnings were equal to $12.03 a share on its $3,000,000 of common stock. A dividend of 8 per cent was distributed during the year, compared with 4 per cent in 1930; since International Power owns 97 per cent of the outstanding shares a revenue of nearly $240,000 from this source was indicated last year.

Earnings Are Maintained

During the current year earnings are understood to have been maintained though no information is available regarding dividend payments. In 1931 the company, which is the leading utility on the Island, acquired plants and distribution systems in four additional towns, a factor which should aid revenue this year.

Activity in Newfoundland

In Newfoundland, where International Power's subsidiary Newfoundland Light and Power is active, conditions have been less satisfactory on account of the economic situation in that Dominion. Despite this, bond interest was comfortably earned last year and prospects for the future are not discouraging. The possibility of increasing ore shipments from Wabana has been discussed. Newfoundland Light supplies Dominion Steel and Coal with power for its Wabana operations and though the low rate of mining activity has not brought forth a demand for power over and above the amount contracted for an improvement in mining operations should help the utility.

Since International Power does not issue an interim balance sheet it is not possible to gain an idea of its liquid position. At the end of 1931 current liabilities exceeded current assets by $3,808,783, due largely to borrowings from the bank totalling $4,305,251. These bank loans, however, were lower by over $1,000,000 as compared with the previous year.

Financing is Difficult

Lack of working capital is due to the company's inability to fund expenditures made on capital account. Conditions in the money market have been such that public borrowing has been well nigh impossible and no permanent financing was carried out last year. As security for bills payable there were issued $1,100,000 6 per cent, one year collateral trust notes in 1931. These matured June 1 last and were replaced with $900,000 of a new issue due June 1, 1933. Proceeds were applied to reduction of bills payable which totalled $1,211,641 at the close of 1931.

DIVIDEND NOTICES

UNITED GRAIN GROWERS LIMITED

A dividend at the rate of five per cent has been declared on the paid-up capital stock of United Grain Growers Limited, for the financial year ending July 31st, 1932.

Cheques will be mailed on September 1st, 1932, to shareholders of record at July 31st. By order of the Board of Directors.

R. S. LAW, President

Winnipeg, Manitoba August 25th, 1932.

POWER INDUSTRY FACES OVER-EXPANSION EFFECTS

(Continued from page 1)

in recent years, the new installations would presuppose an increase in consumption of more than double that prevailing prior to 1921.

	H.P. Installed	Annual gain in h.p.
1900	178,323	......
1901	238,902	65,579
1902	272,577	33,675
1903	298,459	25,882
1904	355,249	56,790
1905	454,209	98,960
1906	608,002	153,793
1907	727,646	119,644
1908	820,580	92,934
1909	890,489	69,909
1910	977,171	86,682
1911	1,363,134	385,963
1912	1,481,466	118,332
1913	1,688,930	207,464
1914	1,951,244	262,314
1915	2,105,492	154,248
1916	2,222,169	116,677
1917	2,287,385	65,216
1918	2,378,657	91,272
1919	2,470,050	101,393
1920	2,515,559	45,509
1921	2,754,157	238,598
1922	3,008,345	254,188
1923	3,191,852	183,507
1924	3,590,596	398,744
1925	4,338,262	747,666
1926	4,549,383	211,121
1927	4,798,917	249,534
1928	5,349,232	550,315
1929	5,727,162	379,930
1930	6,125,012	379,850
1931	6,666,337	541,325
Increase, 1900-1931		6,493,014
Aver. annual increase		202,875

Danger Lies in Central Canada

The real danger of over-production in the water power industry lies more particularly in Ontario and Quebec, more especially the former, than in the other provinces. British Columbia has actually been short of water power up until lately. Alberta has sufficient power to take care of its needs with no large backlog. Saskatchewan is only a minor producer of water power.

Manitoba has got a surplus of water power at this time and it will likely be some time before the lag is taken up. There does not appear to have been any particular economic justification for the development of the Seven Sisters power site and also that at Slave Falls. These developments appear to have been premature, as is evident by the fact that the Northwestern Power Co., developing the Seven Sisters site, has had to forego its bond interest because the parent company was unable to market the additional output, even though the plant is not yet completed and is operating under a partial head.

Ontario Weak Link in Chain

The situation in Ontario assumes a graver aspect. Aside from a few private companies operating in outlying areas, practically all of the larger urban and industrial centres are supplied by the Ontario Hydro Electric Power Commission. Only a few years back this organization was faced with a shortage of power. Unable to develop sufficient power on its own sites, contracts were entered into by Ontario Hydro with private operators in Quebec and Ontario.

The first major contract let by Ontario Hydro was with the Gatineau Power Co. about four years ago. Since then contracts ranging from 100,000 to over 200,000 h.p. were entered into with Ontario Public Service Co., MacLaren Power and Paper Co., Ottawa Valley Power (a joint private-Ontario Hydro development), and Beauharnois.

Gatineau Power has now about reached its maximum deliveries under three contracts, while MacLaren Power and Beauharnois are about to start. Ottawa Valley started deliveries last October.

Need For Market is Pressing

Since the signing of these later contracts, the demand for power in the area served by the Ontario Hydro Electric Power Commission has fallen away sharply. So substantial has been the decline that it is currently reported that Ottawa Valley is said to be letting the water run over the dam, because of the inability of Ontario Hydro to market the additional power.

This being the case, it is only too obvious that Ontario Hydro is already saddled with power that it is unable to market. The situation will become even more aggravating with the MacLaren and Beauharnois deliveries.

Quebec Has Own Problems

Turning to Quebec, the situation in that province, while infinitely better than in Ontario, does not call for any self congratulation. There are six major producers. Canadian Hydro Electric, through Gatineau Power, markets over 90 per cent of its power to large wholesale users of power under long term contracts. Alcoa Power Co. is a private development largely for the purpose of meeting the power needs of the aluminium industry at Arvida.

Duke-Price Power is experiencing some difficulties. While a wholesaler of power, it has only a few customers. One of the large buyers—Price Bros. and Co.—is in financial difficulties and is attempting to get out of its contract. Overtures already made to Duke-Price are reported to have met with an unfavorable reception.

Beauharnois brings its plant into operation in October, when initial deliveries are made to Montreal Power and Ontario Hydro. This company will have in its plant an ultimate installed capacity of 500,000 h.p., of which 200,000 h.p. has been sold to Montreal Power and 250,000 h.p. to Ontario Hydro.

Shawinigan Looking For Market

Shawinigan is experiencing some difficulty in marketing all of its available power. Its growth to date has been largely due to the rapid development of the newsprint industry within its territory. This form of manufacturing is far from being in a prosperous state and it has been necessary to make some readjustments on power contracts. The management has been particularly active in developing other sources of power outlet, particularly through the introduction of new industrial plants and building up of retail distribution areas. This has been beneficial as far as it has gone, but the company continues to report a decline in primary power sales, which is offset to some extent by an increase in secondary power sales.

Early next year Shawinigan will bring into use a new 160,000 h.p. development at Rapide Blanc. Under normal circumstances a market might have been found for this additional power, but it is possible that some time may elapse before it is absorbed.

Montreal Power Has No Shortage

Montreal Power has all the electrical energy it needs for some time. At present the company requires about 350,000 h.p. to take care of its needs. Anticipating further expansion in the power department, the company undertook to contract for the entire output of the Montreal Island Power Co.'s plant and also for 200,000 h.p. from Beauharnois. Deliveries from both plants are on a graduated scale, Beauharnois starting with 25,000 h.p. this October and increasing each October thereafter by a similar amount until full deliveries of 200,000 h.p. are made. The company is said to be having some difficulty in absorbing the output of Montreal Island Power.

The power situation in the Maritime Provinces does not present any particular problems. Development in that area have been somewhat limited until recent years, when installations were rather large due to the growth of the pulp and paper industry.

Industry Needs a Long Rest

Thus for the time being the troubles of the power industry centre in Ontario, Manitoba and Quebec, which have been among the leaders in developing water power sites. It now appears that expansion has been too rapid and that there should necessarily be a lapse of time before any other major developments are undertaken. The necessity of paying capital charges may bring this about, though in the case of the newsprint industry that did not seem to matter. With the experience of the latter before them, however, operators, bankers and others interested in the welfare of the industry will undoubtedly put the brakes on new construction until the market has had time to digest the additional power made available over the last two years.

Canadian Bronze Hold Earnings at Fair Level

From Our Own Correspondent

MONTREAL.—Preliminary expectations are that Canadian Bronze Co. will earn its preferred dividend this year, with a balance after this charge equal to about $1.50 a share on the common stock, which now pays $1.25. Plant operations while on a curtailed basis are understood to be fairly satisfactory in view of general business conditions and the smaller volume of railway freight traffic.

The company is primarily engaged in manufacturing bronze bearings and bushings for the railways. Its prosperity, therefore, is largely dependent upon activity in railway operations, though of late it has been diversifying production.

To date this year both operations and earnings have been as well as could be expected considering conditions. Returns for the next four months are dependent primarily upon the movement of grain in the west. Present prospects are encouraging. The crop is of larger proportions this year and steps will be taken to get it to the head of the lakes and the Pacific coast as soon as possible.

There has been relatively little trading in the common stock of Canadian Bronze for some time. A few sales went through this week at 17.

STOCK EXCHANGE BLDG. DEFAULTS IN VANCOUVER

Protective Committee is Formed — Building Taken Over

Default on its first mortgage bond interest due August 1 by Stock Exchange Building Corp. has resulted in formation of a bondholders protective committee taking over of the building by Toronto General Trusts Corp., trustee for the bondholder. Brig. Gen. J. G. Clark is acting as receiver. The protective committee consists of L. A. Winter, Manufacturers' Life, chairman; D. I. McLeod, McLeod, Young, Weir & Co.; G. J. McKie, Simcoe, Ont.; H. T. Roesler, and F. L. Whittaker.

Recent reports indicated that the building was 85 per cent rented and that gross earnings in 1931 amounted to $98,300 and operating expenses to $59,000. This would leave $39,400 available for bond interest and depreciation and would cover interest requirements on the 6 per cent first closed mortgage sinking fund bonds of which there remains some $533,000 outstanding. It is understood that holders of the equity in the building borrowed cash from the company and reduced working capital.

Property of the company consists of an 11-story building in Vancouver which was completed in June, 1929. Public financing was undertaken early in 1929 with the issue of $550,000 6 per cent first mortgage bonds. The building was then appraised at $1,045,200 and net revenue was estimated at $68,344 or equivalent to 2.07 times bond interest. Chief tenant of the building is the Vancouver Stock Exchange which occupies space on a 15-year lease.

The Canadian Wooden Box Maker's Association has completed plans for the organization of a co-operative export sales company, to be known as the Imperial Box Export Company. The Provinces of Quebec, Ontario and the Maritimes are concerned.

STATISTICS GIVE INCREASED HOPE BASIS IS SOUND

Improvement is Shown in Various Indices in Past Three Months

LAUSANNE HELPED

U. S. Banking Situation is Better—Further Improvement of Fundamentals is Essential

There have been few occasions in business history when statistics of production, distribution, consumption and finance have been more thoroughly examined than during the past two months, states A. E. Ames & Co. in a current investment letter. Interest has been intensified by sustained rise in stock, bond and commodity prices which suggests impending improvement in business. The rise of the past three months has been emphatic and is indicated in various indices of stock and commodity prices.

The Financial Post average of 20 Canadian industrial stocks has risen from a low of 18.7 in the week ended June 7 to a high of 34.5 in the week ended August 30. A. E. Ames & Co. index of Dominion of Canada bond prices has risen from 89.6 to 99.5 in the same period. Standard Statistics Co. index of U. S. common stock prices is up to 66.2 from 32.5 and the index of corporation bond prices has risen from 69.4 to 86.2. In the same period. The Annalist index of wholesale commodity prices has improved from 87.8 to 94.0.

All of this rise has been accomplished with little growth of production in basic industry and without marked increase in shipments of raw materials or fabricated goods which would be reflected in the statistics of railroad car loadings. General business hovers at the low point of the depression even after three months of rising prices.

"It would not be true to say, however, that the past three months have been devoid of accomplishment. On the contrary significant international and national events have occurred to suggest that, at least, the relentless tide of liquidation and deflation has been stemmed. It is an interesting commentary upon the course of affairs that, once the shock of Great Britain's departure from the gold standard had been sustained, short-term money rates in most countries eased perceptibly, reflecting growing confidence and resulting in more recent months in successive reductions of central bank money rates.

Lausanne Gave Hope

"Followed then the Lausanne Conference with its momentous agreements regarding reparations and the declaration of the signatory powers that 'they do not claim that the task accomplished at Lausanne, which will completely put an end to reparations, can alone assure that peace which all nations desire. But they hope that an achievement of such significance and arduously attained will be understood and appreciated by all the pacific elements in Europe and the world, and that it will be followed by fresh achievements.'

"The sense of greater security engendered by Lausanne was followed by the reassuring conversion loan operation in Great Britain which was of immense significance in all money markets. Of probably equal importance has been the administration's defense against the depression in the United States. In large part this defense has been of an emergency character in the provision of financial assistance to states, railroads, banks and agricultural interests.

"In meeting the problems of depression probably the most acute situation in the United States and one that can scarcely be appreciated by Canadians has been that of smaller American banks. Bank failures, originally due to specific cases of mismanagement in 1928 and 1929, increased in number as alarmed depositors withdrew their savings and either deposited them in U. S. Postal Savings offices or hoarded them in the form of notes or gold.

"The enormous pressure of influences on the American banking system led to relentless liquidation of commercial loans, loans on securities and security holdings which explained much of the decline in business activity and much of the fall in security and commodity prices and necessitated large scale support by the Federal Reserve System and the Reconstruction Finance Corp.

"This distressing situation has undergone perceptible change for the better in the past month. Gold has ceased pouring out of the United States and is now returning, bank notes are coming out of hoarding, deposits are rising and reliance upon Federal Reserve support is dwindling. On the other hand there is little evidence that bank credit is being used in business or the financial market.

"In view of this improvement in sentiment it is scarcely true that rising bond and stock prices are without foundation as some observers have claimed. Markets do not look behind; they discount the future. Looking backward there is a long record of deflation and disappointment. At present there is perceptible improvement in finance, and in business a strong evidence of stability but little recovery; looking forward there is hope that the remarkable price rise of the past two months forecasts a continuance of banking recovery and a growth of business activity.

"For investors the events of the past two months will have rather definite suggestions. The improvement in financial affairs would seem to justify the lower level of interest rates now prevailing and indeed there is reason to believe that further underlying improvement in finance would strengthen high-grade bond prices.

S. McKay is Elected Massey-Harris Board

S. McKay, president of H. V. McKay Massey-Harris Pty., Ltd., of Sunshine, Australia, has been elected to the board of directors of Massey-Harris Co. and fills the position left vacant through the death of C. S. Blackwell. The Australian company handles sale of Massey-Harris products in that country as well as being the principal manufacturer of agricultural machinery in Australia.

Massey-Harris Co. directors state that while some improvement in conditions has been apparent in Canada in recent months this has not been sufficient to greatly improve the company's sales for 1932 which are expected to be under the 1931 level. Full reports for the current season will not be available for some time.

Review British Market For Canadian Produce

Royal Bank Monthly Letter Points to Possibilities of Extending Our Exports of Primary Products to Britain

Concessions made by Great Britain at the Imperial Conference have opened up a larger market for our primary producers and must improve their buying power, states the monthly letter of the Royal Bank of Canada. Great Britain, the Letter points out, will supply a market for Canadian wheat, lumber minerals and fish.

In the course of a survey of the concessions as they affect different commodities, the market possibilities in many primary products are shown. For example, 111,000 head of cattle were shipped to Great Britain in 1925. This outlet was closed for a few years, but since it has been re-opened, the trade has gradually increased again and 27,150 head were shipped in 1931. There is still a large potential market, however.

Possibilities of the British market for pork and bacon present perhaps the outstanding opportunity in animal products, according to the letter. While the demand for bacon in Great Britain has doubled during the past ten years, Canada's exports remain at the point where they were 40 years ago.

Canada's Lost Trade

Butter and cheese at one time took a very high place in exports to the United Kingdom from this country, in 1903-4 Canada actually being the largest contributor to the British market with 234 million pounds. Since that time exports have fallen below 100 million pounds while British demand has increased. While other Empire countries, such as New Zealand and Australia, have a large proportion of this market, the Letter continues, British imports from non-Empire countries reach a considerable total.

As far as apples are concerned, the Letter states that the 85 cents per cwt. preference is sufficient to provide an outlet for all the apples that Canada can ship for a number of years at least.

In recent years Canada has been supplying less than 5 per cent of the British requirements of wood and timber, according to the Letter. Protection from Russian dumping should enable producers to obtain a firmer footing in this market.

Duties on foreign asbestos, zinc, lead and copper should mean that Empire countries will supply the Mother Country's requirements in these minerals to the exclusion of other producers, the Letter concludes.

BIG STORES DID OVER 30 P.C. OF TORONTO TRADE

(Continued from page 1)

operated but in co-operative buying organizations, have a strong position in the Toronto field, their sales in 1930 being $4,733,500 out of a total of slightly over $40,000,000, or slightly more than 11 per cent.

Merchandise Group Lead

Analyzed by groups, the general merchandise group has a wide lead in everything by number of stores. Total sales of this group in 1930 were almost $115,000,000, employees numbered approximately 15,000 and they received over $17,000,000 in salaries and wages. Food stores have the greatest number of stores with 3,080 out of a total for all stores of 8,769 and are second in total sales with $67,800,000. They also take second place in number of employees and salaries and wages paid.

Department and general stores provide the chief retail outlet in the city, according to 1930 figures, with sales of $112,600,000, followed by motor vehicle dealers with sales of over $30,000,000. Grocery stores without meat departments lead in number of outlets with 1,168, followed by drug stores with 396. The 12 chief retail outlets in Toronto in 1930 are shown below.

Service Groups

Total receipts from 3,403 establishments in the service division in 1930 were $44,122,100, domestic service leading with receipts of $9,400,000. There were 210 establishments classified in the amusements group and they had receipts of $7,900,000 in 1930.

Personal services led in number of stores with 960 followed by domestic service with 752 establishments. The latter had the greatest number of employees with 4,103 and they received $3,783,500 in salaries and wages.

Hotel Figures

Figures for hotel operations were also secured in connection with this census. The 51 hotels in Toronto in 1930 reported 3,581 guest rooms, 1,788 employees, salaries and wages of $1,443,808 and receipts of $5,331,424. Receipts were made up from rooms $2,380,696, meals $1,474,477, room and meals $762,264 and other sources $713,987.

Chief statistics of the retail merchandising and service groups are as follows:

SUMMARY OF PRINCIPAL RETAIL MERCHANDISING GROUPS IN TORONTO

	No. of Stores	No. of Employees*	Salaries & Wages $	Net Sales† (1930) $	Stocks on hand, end of year (at cost) $
Automotive	672	4,413	6,081,500	47,041,400	3,671,[illegible]
Food	3,080	6,317	5,590,300	67,797,900	3,237,[illegible]
General merchandise	206	14,965	17,149,000	114,984,600	14,537,200
Apparel	1,382	4,394	5,075,900	31,928,800	5,074,700
Lumber	346	1,570	2,337,100	14,322,700	2,389,000
Furniture	155	982	1,221,800	6,068,800	2,135,700
Restaurant	676	4,024	3,221,100	13,910,300	242,300
All other	2,252	3,874	11,806,100	73,806,800	12,742,900
	8,769	45,539	52,482,800	‡369,861,900	47,580,600

*The number of employees includes those working both full time and part time and also proprietors and firm members receiving a fixed salary, therefore, the amount of salaries and wages represents the total wages bill. The figures given do not provide a basis for correctly computing average wages, average sales per employee, or rate of stock turn. In later reports the data will be presented in greater detail and more accurate computations may be made.

†Included in these figures is $1,176,000 which represents service receipts in merchandising establishments.

‡To these sales may be added $4,344,000 retail sales made by wholesalers.

SUMMARY OF PRINCIPAL SERVICE GROUPS IN TORONTO

	No. of Establishments	No. of Employees*	Salaries & Wages $	Receipts† (1930) $	Stocks on hand, end of year (at cost) $
Amusements	210	1,647	1,874,700	7,897,500	35,4[illegible]
Business services	15	94	139,100	338,500	3,[illegible]
Cartage and storage	214	1,292	1,523,500	4,395,400	[illegible]
Domestic service	752	4,103	3,783,500	9,425,300	118,[illegible]
Educational service	21	192	269,500	516,700	29,[illegible]
Personal service	960	1,422	1,345,500	3,765,300	[illegible]
Photography	83	319	463,900	1,235,400	35,[illegible]
Repair	824	1,040	1,208,700	3,963,200	143,4[illegible]
Transportation	101	804	728,300	2,213,000	5,4[illegible]
All other	223	1,179	2,028,900	10,371,800	133,[illegible]
	3,403	12,092	13,365,600	44,122,100	612,[illegible]

*See above.

†Included in these figures is $862,800 which represents merchandise sales in service establishments.

SUMMARY OF TWELVE PRINCIPAL RETAIL OUTLETS IN TORONTO

Business	No. of Stores	No. of Employees*	Salaries & Wages $	Net Sales‡ (1930) $	Stocks on hand, end of year (at cost) $
Department and general	38	14,686	16,842,500	112,599,400	13,679,[illegible]
Motor vehicle dealers	85	2,147	3,328,900	30,588,800	2,679,7[illegible]
Grocery, without meat	1,168	1,408	1,[illegible]20,000	21,984,800	1,457,1[illegible]
Grocery, with meat	322	1,768	1,813,500	18,421,100	636,9[illegible]
Coal, wood and ice	114	1,670	2,262,000	17,977,100	886,[illegible]
Drug stores	396	1,483	1,872,900	12,618,400	2,503,7[illegible]
Restaurants	273	2,531	2,152,200	8,681,400	156,5[illegible]
Women's apparel	294	1,270	1,251,400	8,229,900	1,684,5[illegible]
Meat, with groceries	250	669	634,800	7,104,100	269,4[illegible]
Meat markets	209	410	433,000	5,056,500	107,6[illegible]
Garages	267	1,151	1,475,300	7,163,500	363,3[illegible]
Hardware	202	629	877,800	5,903,000	1,513,2[illegible]

WEST NOW NEEDS WARM DRY SPELL

Harvest Progress in Other Parts of Dominion Satisfactory

Rains in Manitoba and Saskatchewan, and to a lesser extent in Alberta, have hindered harvesting operations during the past week, according to the crop report of the Dominion Bureau of Statistics, dated August 30. There is danger of sprouting in stooks and swaths, the report states, unless the weather improves.

Wide variance in time of maturity is being shown in western grain. Threshing is practically complete in some districts of southern Manitoba, while cutting is just beginning in many districts of Alberta. Feed conditions have been greatly improved by the recent rains

Good progress has been made in harvesting cereal crops in Quebec except in the eastern sections, where the weather has been unfavorable. The apple crop is maturing but the quality has been lowered by hail storms in some areas. Tobacco is being harvested and a smaller crop than last year is anticipated.

In Ontario favorable harvesting weather has prevailed during the past two weeks, excellent yields of grain are reported in western Ontario, while in other sections of the province yields are lower than in 1931. The apple crop will be much smaller than a year ago.

During the past two weeks the weather has been favorable in the Maritime Provinces.

Good progress has been made by all standing crops. Cereal crop yields are reported above average, while the apple crop, while smaller than last year, is of high quality. Grain yields are reported above average in New Brunswick, but the potato crop is suffering from blight and the yield will be lowered.

Wheat cutting is practically completed in British Columbia and progress has been made with coarse grains. Yields are very good. The 1932 apple crop will be considerably larger than last year.

LACK DETAILS BRAZIL REVOLT NEWS CUT OFF

(Continued from page 1)

tant date has caused substantial appreciation in coffee prices in United States markets. Present probability is that coffee held by the Grain Stabilization Corp. in the United States will be sold at a profit due to stoppage of shipments, although this coffee was to be held off the market. In the meantime coffee stocks are presumably mounting in Santos.

Coffee represents some 70 per cent of Brazil's exports and naturally has a material part in giving that country a favorable balance of trade which exceeded $100,000,000 in 1931. Coffee exports also affect the exchange rates on funds and Brazilian Traction has lost far more through having to ship funds at adverse exchange rates than through any loss in earning power occasioned by economic conditions in Brazil. Shipment of funds during the past month is understood to have been practically impossible and quotations have been more or less nominal.

Prospects are for a coffee crop of around 17,000,000 bags for the crop year 1932-33 which is under the average of 19,151,000 bags for the crop years 1926-27 to 1930-31.

High Grade Reported from Manitoba by C. N. R.

Rains during the past week in most parts of the Prairie Provinces have been more of a hindrance than a help, delaying harvesting operations and too late to be of any benefit to the grain crops, according to the C. N. R. crop report dated August 27.

Rust has not been a factor in this year's crop and the only possibility which exists to-day whereby the crop can be damaged is through the medium of excessive rains and the damage they could do to the grade through sprouting and weathering.

CHURCHILL SAVING NOW ESTIMATED CENT A BUSHEL

1932 Cost Compared With Montreal — Government Pays Storage

Cost of the first grain shipment to travel to Liverpool from Churchill this year will show a saving of 1.05 cents below the cost through Montreal, according to calculations made by the Manitoba Free Press. This saving is only achieved, however, by the fact that the Federal Government will this year absorb normal storage and elevator charges at Churchill. Without this there would be no saving this year in part because of very low lake freight charges on the competitive route.

The shipment will go via S.S. Pennyworth which will carry back to Europe approximately 250,000 bushels of wheat for a freighting charge of 8 cents per bushel. It is stated that this is a reduction of 1¼ cents from the charge made in test shipments of grain last September.

Regina to London

In making the comparative calculations all items of expense, as compiled from authentic sources, were included and were based on the cost of shipping grain from Regina to London, England.

Figures do not include the small item for stevedoring on either route, which, according to reliable reports, will approximately balance for one route against the other.

The total cost per bushel over each route works out as follows:

Cost via Churchill, 25.64 cents.
Cost via Montreal, 26.69 cents.

"Amounting to almost half of the cost of exporting wheat from Regina, either through Churchill or Montreal, is the railway freight rate," says the Free Press. "For Montreal, the rail haul involved is from Regina to Fort William, with a charge of 12 cents per bushel. To Churchill the rail freight charge is 13.2 cents.

"Comparative mileage on the two routes are:

Regina to Churchill, 843 miles.
Regina to Fort William, 776 miles.

"The Churchill haul, therefore, is 67 miles longer than the Fort William haul, for which 1.2 cents per bushel more is charged.

Ocean Toll High

"One of the largest items working a disadvantage for Churchill at the present time as compared to Montreal and other eastern ports, is the ocean freight rate.

"From Churchill to London the rate is now eight cents per bushel, while for Montreal the rate is 4.5 cents. This difference, according to expert opinion, is attributed largely to the fact that the Churchill route has not been established a regular trade route. Increased traffic should equalize the ocean rate from Churchill, bringing it to a par with Montreal's outbound rate.

No Lake Charges

"Favoring the Churchill route, on the other hand, is the lack of lake freight charges. In the Fort William-Montreal route the lake freight charge accounts for 4 cents per bushel of the total cost, at present. In expert circles this figure indicates a "bankrupt" condition in Great Lakes shipping, and an increase is expected before fall, when the 1932 crop starts moving. On August 7, 1931, it was six cents and on Sept. 18, 1931, it was 5¾ cents. Normal Great Lakes freight cost is between six and seven cents per bushel. Increase in this item will work to the advantage of the Churchill route.

"Another advantage held by the Churchill route this year arises from the federal government's action in absorbing terminal charges through that port. Terminal elevator costs on the Montreal route amount to 1.5 cents per bushel, a cost item not appearing in the Churchill total of 25.64 cents.

Normal Charges 1 Cent

"Normal storage and elevator charges at Churchill when levied, possibly next year, are expected to total one cent per bushel.

"Without the federal government absorbing this item this year, Churchill's advantage would be lost.

"In the grain shipping picture several items of cost are exactly the same for both the Churchill and the Montreal routes. These items are country elevator charges, amounting to 1.75 cents per bushel; the commission for selling, 1 cent; the government charge for weighing and inspection, $2 per car, which since cars of wheat average between 1,300 and 1,500 bushels, resolves itself into a charge of .13 cents per bushel, and a charge of .06 cents for remitting the proceeds of the sale. This latter charge is ⅛ of one per cent, which amounts to 1-16 of a cent on 50-cent wheat.

"A difference of 4 to 1 in the ocean insurance rate, with the advantage of this item in favor of Montreal, as compared to Churchill, is expected to be equalized when the northern route has been proven by increased traffic in the future. The penalty for being new shows itself more in the ocean insurance rate on the Churchill route probably than any other item of shipping cost, being 1 cent per bushel, as compared with .25 cent for the rate out of Montreal."

Many Notable Omissions Seen At Capital Hill In New Empire Pacts

Lack of Reference to Coal and Flour Causes Conjecture

RUSSIA BLAMED

Believe Delegates Threw Overboard Advice of Experts in Final Hour of Conclave

From Our Own Correspondent

OTTAWA.—To those who followed the Economic Conference at close range the most remarkable fact concerning the twelve treaties that were signed was not what they contained but what they did not contain.

For example, there was the very important matter of greater purchases by Canada of British anthracite coal. There was the matter of a larger tariff preference on Canadian lumber entering the British market. There was the flour quota and the Canadian concession of a competitive tariff undiluted by qualifications and exceptions.

It is gradually coming to be realized that although the Conference did not begin to achieve all that the public was led to expect, it did accomplish much that will benefit all of the Empire and, even more, did lay a sure foundation for future building.

Story That Might Have Been

The story of the Conference treaties that might have been is the story of the last twelve hours of the Conference when the various delegates pushed their scores of experts and advisers into the corridors and antirooms of the Parliament Buildings and, themselves, made bargains and agreements. The dominating force in the closing hours of the Conference was the political will to succeed and success did not come as a result of the scientific, expert approach to questions of trade, but as a result of delegates forgetting about the finer points of economy and coming to direct accord among themselves.

In this last rush to get through a good many things were thrown aside, much excess cargo which had threatened to founder the Conference ship was jettisoned. The delegates simply compromised their differences, abandoned rigid adherence to formulae, to principle, which often marks the negotiating technique of the expert.

Russia Caused Dilution

It goes without saying that if Britain had been prepared either to embargo Russia or to agree to the enactment of an automatic dump law which would have stopped Russian dumping before, not after, the commission of the offence, the final agreements would have been much broader and more substantial than they are. The Dominions carried their fight against Russia to the point where Conference failure was believed by many to be eminent and in point of fact they did pursuade the British delegates to modify the original British formula on Russia.

In the beginning the British were not prepared to go farther than to promise an investigation by the treasury board upon complaint and to enact dump duties if enquiry proved the complaint justified. Into that broad formula, which did not mention Russia, the Dominions wrote several phrases, including one which refers directly to state controlled and directed dumping and another declares that dumping must not be allowed to destroy the value of the preferences granted by Britain to the Dominions.

But even with these amendments, the Russian dumping concession was certainly not acceptable to the Dominions and, in consequence, they watered down their concessions to Britain, in the light of the possibility that Russia will continue to undersell them in the British market.

In the last 12 hours of the Conference much was withdrawn from the agreements. The Canadian delegates, unsatisfied with the Russian formula, took out anthracite coal and placed two important qualifications into the concession of a competitive tariff to Britain. These qualifications enable protection to be continued to Canadian industries with a reasonable prospect of success and to infant industries.

And the Canadian delegates were not the only ones who revised their concessions in the dying hours of the Conference. It was well known that the British had been prepared to give 20 per cent on Canadian lumber, but in the treaty it is only 10 per cent. Moreover the details of a flour quota, by which the Dominions were to be given one-half the normal import market of Britain, had been worked out. But flour disappeared from the final draft of the British-Canadian agreement.

Indeed, as the Conference closed there was a very perceptable feeling of hostility and animosity between the various delegates. But this, too, has tended rapidly to disappear as the kindly cable messages between Mr. Bennett and the British delegates prove. What was left out of the trade agreements probably has not been permanently excluded. All the agreements are open to revision at any time and in all likelihood they will be broadened in scope long before they expire.

Poor Foreign Marts Worry Newfoundland

Although codfishery returns for the 1932 season continue favorable, Newfoundland is currently worried about the poor condition of the foreign fish markets.

According to advices received here from St. John's this week, there is no sign of improvement in the political situation which has affected the Brazilian market, and prices in the West Indies are very much depressed due chiefly to the heavy arrivals of Norwegian fish.

European markets are not looked upon with any degree of optimism due to the political unrest in Spain, which is almost sure to have its effect on Portugal and Italy with detriment to our fishery.

U. K. PREFERENCE AND APPLE CARTEL AID B. C. GROWERS

Apple Country Confident of Good Season Ahead For 1932

From Our Own Correspondent

VANCOUVER.—Assurance of a preference on apples amounting to approximately 40 cents a box in the British market represents one of the chief triumphs for British Columbia at the Empire Conference and this provision, coupled with organization of the Okanagan apple cartel, is expected to lead to substantial betterment in market conditions this year.

There is a general feeling of confidence in the apple country and it is probable that sales will be on a much more satisfactory basis than last year. Nevertheless, the feeling still prevails that the present is a time of emergency for the fruit industry and for that reason there is all the more determination to make the cartel plan a success.

Plan Well Supported

The shippers abandoned their own plans for marketing the crop in favor of the cartel when it was seen how generally the programme was supported. If it keeps almost 60 per cent of the apple crop away from the domestic market the effect is expected to be favorable.

The first concrete result of the decision to organize a cartel was felt recently, when the shippers decided to do away with the sales on arrival plan of selling, which had prevailed, and re-established sales on a f. o. b. basis. Meanwhile legal agreements to bind the shippers have been circulated, and 95 per cent signature is anticipated. Details of the programme are still being worked out.

Describes British Columbia's "Appel Cartell" of 1932

By WALLACE DAFOE, Winnipeg Free Press

Interior shippers' new control plan of fruit-selling is exciting keen interest among the growers. It is a business cartel, to be known as the "1932 Appel Cartell," and will apply only to the fall and winter apples. Soft fruits are being marketed as usual.

The reason for the forming of the cartel was that, despite the British preference and adequate protection, internal competition among a multitude of shippers was threatening a complete demoralization of the domestic markets. With probably 800,000 more boxes of apples to market than last season and a none-too-receptive western Canadian buying public, marketing threatened to go to smash and "red ink," especially for the large crop of MacIntosh Reds, was in prospect. The outlook was so bad that shippers would have been afraid to incur cold-storage costs thereby enhancing the danger of a marketing debacle.

Various Plans Submitted

Something had to be done about it. A variety of plans were put forward, including one backed by the Associated Growers and about fifty per cent of the independents for a division of the domestic markets on a quota basis. The remaining independents wanted an information bureau and a gentleman's agreement, but to this the majority would not listen because of the knowledge that similar agreements have failed to hold in the past.

When the shippers deadlocked the growers became anxious and notified them that, failing an agreement of some kind, they would call public meetings to which shippers would be invited to explain their position. The purpose of the growers' action was to give the recalcitrant shippers a good dose of publicity.

The meetings were called off when it was announced that shippers representing ninety per cent of the apple tonnage had compromised on a cartel and it was expected to bring within the plan another five per cent of the shippers.

Purpose of Cartel

The main purpose of the cartel will be to restrict selling in the three prairie provinces and British Columbia markets to forty per cent of the apple crop. The other sixty per cent will be sold on the export markets, which include eastern Canada.

The cartel will be managed by a committee of five members and a manager. It will include two representatives of the Associated Growers, one representative of the Growers' Sales Service, an independent central selling agency, in close association with the co-operative organization and two representatives of the Independent Shippers' Council. It was agreed that the manager would be selected from the independents and Major M. V. McGuire of Vernon will probably be the choice. Apparently the co-operative organization handling fifty per cent of the crop made large concessions in order that something in the nature of orderly marketing might be achieved.

The cartel plan goes into effect when the MacIntosh Red apples come on to the market. The details are now being worked out by the committee. MacIntosh Reds will be treated as a marketing "block." All other apples will be lumped as a second "block." The purpose of this is to prevent heavy MacIntosh Red producers being placed in a position of inferiority as compared with the growers of winter apples.

Will Use Cold Storage

When the plan commences to operate sixty per cent of the MacIntosh Reds will be either moved into cold storage in the valley or elsewhere, or be immediately exported. This sixty per cent will be released by percentages as determined by the committee in such manner as will be equitable to all shippers and in relation to their total tonnage. The same plan will be followed in regard to other varieties.

As a guarantee that the terms of the cartel will be carried out each shipper agrees to place in trust a sum of money based upon the shippers' tonnage in carloads as follows: One to fifty cars, two thousand dollars; fifty to one hundred cars, four thousand dollars; one hundred to two hundred cars, six thousand dollars, plus ten dollars per car for each additional car. The payments will be collected at the rate of one hundred dollars per car for every car shipped until the respective amounts have been collected.

Previous to the formation of the cartel the spirits of the apple growers were anything but buoyant as they realized that they were facing the prospect of a devastating apple war among the shippers with their fruit as the ammunition. Now they regard the outlook as being more hopeful, despite the fact that all previous efforts at control based upon voluntary actions have failed. With the shippers putting up a substantial cash guarantee they are more hopeful that the cartel plan will "stick." Cost of operating the cartel by the committee will be covered by a boxage assessment on all shippers, probably one-half cent per box.

Other Crops Not Affected

The arrangement was not extended to the peach, prune and pear crops for the reason that there is no surplus of these fruits and a price war is unlikely to affect them. They are expected to fetch fair prices. Expectations as to apple prices do not run high owing to the depressed condition of the domestic markets and the large part of the crop it will be necessary to export, but it is hoped that the orderly marketing plan effected will mean for the producers an avoidance of red ink. For winter apples at least it is hoped that prices to be realized will approach the cost of production mark.

Canadian Vickers Add New Products to List

From Our Own Correspondent

MONTREAL. — Canadian Vickers Ltd. have entered into an arrangement to manufacture in Canada the Moore speed crane, a product of the Manitowoc Engineering Works, Manitowoc, Wis. It is proposed also to carry a complete stock of replacement parts and servicing will be provided for the entire Dominion. Canadian Vickers also has completed arrangements to manufacture Buffalo-Manitowoc material handling buckets.

The Moore speed crane will be manufactured in Montreal under the name of "Speedcrane." The machine is convertible into a shovel, dragline, crane or trencher, and has a lifting capacity ranging up to 25 tons.

Sell Nelson Cherries in England

Reports indicate that an experimental shipment of cherries recently forwarded from Nelson to England, arrived at its destination in perfect condition and was immediately disposed of.

Many Views On Parley Appear in U. S. Press

Study of Comments Fails to Reveal Any Agreement on Results of Ottawa Conference

United States opinion of the results of the Ottawa Imperial Economic Conference, as expressed in the country's leading daily and weekly newspapers, varies to such a great extent as to be bewildering. There appears to be no general agreement on any phase of the results, even the most important angle from the United States viewpoint, that of the effect of the treaties on United States trade, bringing forth widely variant comments.

For instance, Wall Street Journal, New York, says: "Agreements reached at the Imperial Economic Conference at Ottawa are regarded in Washington with considerable significance." On the other hand Henry W. Bunn in the Annalist, New York, states: "The extent to which the United States exports will suffer from the Ottawa arrangements, if consummated, is very much to be seen. The probable grand total is nothing to blubber over."

Some Think It Failure

In its issue of August 23, the Washington Post referred to the Conference as "A Virtual Failure," though it must be remembered that this daily is a strong supporter of the Hoover administration and a booster for the Hawley-Smoot tariff. Business Week, New York, also subscribed in some measure to this opinion.

Very different is the attitude of the New York Times and the New York Herald-Tribune. In the course of an editorial headed "Ottawa Uncertainties" the former daily, after pointing out that ratification of the treaties will have to come from the individual governments, remarks:

"It is hard to make out the net result of the trade agreements reached at Ottawa. They are not yet published in full .... Yet there can be no doubt that a good deal has been done to bring about closer trade relations within the British Empire."

The New York Herald-Tribune special correspondent at Ottawa writes in the issue of August 22: "Summaries of the treaties signed here reveal that the British Empire has taken a long stride toward economic integration more than balancing the Statute of Westminster."

Ratification Doubted

Probable ratification of the agreements which have been drafted, comes in for its share of comment and although the majority of papers expect that there will be little difficulty in this regard, with the Wall Street Journal correspondent stating definitely that ratification is expected, the New York Annalist concludes a resumé of some angles of the treaties with the remark: "Do not forget that the Ottawa agreements have yet to be ratified." As the entire article is ambiguous in its language, the exact meaning of the latter sentence is not entirely clear although it appears to doubt that ratification will be accomplished.

The probable effect of the conference agreements on world trade, is naturally very important to the United States and this angle is fully dealt with in most of the newspapers. Again, opinions vary considerably, the headlines of an article in Business Week being, "Ottawa's Empire Trade Failure is a World Trade Success," and "It may have been a conference to begin conferences leading eventually to renewed freedom of trade," while William H. Grimes, in The Wall Street Journal, states: "Officials in Washington disregard intended consoling phrases that the results of the conference, through promotion of prosperity in the Empire, will redound to the benefit of the rest of the world. This prosperity, if achieved, will be effected by a curtailment of purchases from non-British markets."

No Cause for Worry

Business Week further expresses its views in the first paragraph of the article, as follows:

"Business is still mulling over, without any signs of excitement, the week-old results of the British Empire conference at Ottawa. The United States is likely to lose some trade in Great Britain as well as in the Dominions. There is small worry in that, for if the new pacts bring any revival of Empire business, the whole world is bound to benefit in the recovery."

Many are the comments on Britain's move away from her historic policy of free trade, and paradoxically enough, the general attitude is one of censure. Summarizing the results of the Conference, the New York Times states at the conclusion of an editorial:

"The whole must be regarded as one further step by Great Britain away from her historic policy of free trade. It may prove that she has done something to bind the Empire together, yet that losses elsewhere will overbalance this gain. In particular does the British Government appear to have weakened its position and authority in the coming world economic conference, where it was expected to take a strong line against tariffs as an impediment to general recovery. How can it curse what it has just created?"

Britain Censured

Further on this angle, the Journal of Commerce, New York, summarizes its opinion of the more general effect of the agreements in the concluding paragraph of a leading editorial, thus:

"The manifest desire of the British Government to raise world prices, however, and to regulate imports with a view to that end is hard to reconcile with tender concern for the interests of the consumer. The Ottawa pacts, in short, look toward more, not less, interference with international trade in the years ahead. They mark another step away from free trade; they are not, as apologists have maintained, a movement looking toward expansion of the area of free markets."

Once again there is a divergent view, a correspondent in the Wall Street Journal, writing from Washington, expressing the position in this manner:

"While no one in authority here will comment upon the politics of another country, it is well known that the Opposition party in Canada advocates an approach on Imperial matters identical with that of the British delegation to the Ottawa gathering.

"That approach is one of lowering tariff barriers generally but first extending those reductions to the merchandise of the British Empire. The authorization of the free entry of Dominion goods was an explicit illustration of the free trade approach of the United Kingdom."

No General Agreement

Many of the comments emanating from across the border have a distinctly political flavor, the Democrats being naturally inclined to point to the Conference as a direct result of the Hawley-Smoot tariffs and to play up the successes of the Conference as a political weapon against the tariff. The Republicans, on the other hand, would be inclined to disregard the important results that have been achieved.

However, the differences of opinion do not appear to be confined to political factions and many non-political journals differ greatly in their comments on the results already achieved and their probable outcome. One thing stands out and that is that the happenings at the Conference have had a front page place in the United States press during the past month.

BUSINESS EDITORS SEE IMPROVEMENT AUGUST OUTLOOK

U. S. Survey Finds State of Business Health Improving

Signs aplenty of improving business sentiment are seen in a mid-August report of business paper editors of the United States as published by Associated Business Papers, Inc., New York.

The general consensus of opinion among these editors was that while actual business advance in early August was small, progress was real and the industrial state of health steadily growing healthier.

Opinions Summarized

Summarized opinions on leading industries follow:

"In the steel industry, production continues at the abnormally low rate of 15 per cent, but scrap prices, always a reliable guide to pending changes, have increased 3½ per cent in two weeks. Textiles show a definite upward trend. Sales are exceeding production and basic material prices, especially of cotton, are advancing. Shoe production is rising at more than seasonal rate and leather prices are strengthening. Editors in the food industries find the country's storage stocks are below average with prices improving in spots. Automobile sales for July dropped under expectations, but sales executives are more hopeful now than at any time since the depression set in.

"In building construction, the volume of private projects is rising. The oil industry is gratified to find that sales of motor fuel, its principal product, are surprisingly good — barely 4.41 per cent under 1931 to date. Coal operations are improving both in the anthracite field where a number of mines are resuming and in the Midwest bituminous states where labor peace has been achieved and production increased. The gas industry takes heart from expanding opportunities for natural gas and improved market for utility bond issues.

"Price increases improve the feeling of cement manufacturers. Makers of welding equipment are encouraged by widening use of metal welding. The ice cream industry, the hotel industry and the bakery owners all feel that business is not sagging. Print shops report better orders and less unemployment in spots throughout the country. Optical goods makers already feel a fall pick-up. Advertising contracts in many magazines and on the air show slight gains."

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RECENTLY The Financial Post published a series of eleven articles on the ten depressions that Canada has come safely through in the last one hundred years, and on the eleventh which she is now experiencing. Tremendous interest was shown by many readers in these articles; they have now been reprinted in the form of a small booklet which is available at nominal cost.

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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

WHEAT CUTTING IN SASKATCHEWAN NEARS COMPLETION

Rains of Past Week Improved Pastures and Root Crops

From Our Own Correspondent

REGINA, SASK.—About 75 to 80 per cent of the wheat is cut and about half of the coarse grains, according to telegraphic reports received over the week-end by the Statistics Branch of the Saskatchewan Department of Agriculture. Practically all the wheat cutting in the eastern and southeastern districts is completed. In these districts cutting of coarse grains is also well advanced.

The weather has been changeable during the past two weeks, being warm and dry up until about August 20 when showers or heavy rains fell and the weather remained unsettled. More rains came early last week but it cleared later in most districts and was quite warm toward the end of the week.

Threshing and combining in many parts of the province were held up by the rains in the early part of the week but it is expected that with favorable weather both operations will become fairly general this week. While only a small amount of threshing has been done, the yields so far appear to be about as expected.

Scattered hail storms have caused damage in some localities and the damp weather has been favorable also for development of rust which in some sections may affect late grain. Sawfly is doing considerable damage in several districts.

Potatoes are on the whole a better crop than last year. Recent rains have greatly improved pastures in many districts and livestock are generally in good condition.

CAMPBELL'S PAYS $114,000 OF DEBTS

Distilling Company Liquidates Old Liabilities of Federal Co.

From Our Own Correspondent

MONTREAL.—In the eight month period ended June 30, 1932, Campbell's Distillery (Canada) paid off $114,000 of liabilities assumed with the purchase of Federal Distillery which was taken over in November, 1931. Shareholders of Campbell's Distillery were told at the first annual meeting that current liabilities are now practically negligible.

It was stated by Samuel Rosenbloom, president of the company, that heavy expenditures for capital and maintenance had been made in the period under review and that the plant was now modern and highly efficient. Annual capacity had been enlarged to enable it to compete for a satisfactory share of the available industrial alcohol business.

Prospects Not Discouraging

Prospects for next year were held to be moderately encouraging. The president believed there would be considerable business offering but that prices would be keenly competitive.

S. Campbell Co. of Glasgow moved to acquire Federal Distillery in September, 1931, and the company is operated as Campbell's Distillery (Canada). The sale was based on an exchange of shares in which Federal shareholders were given one new share for each two old shares held.

Jamaica Public Service Earns Dividend to Date

From Our Own Correspondent

MONTREAL.—Though earnings of Jamaica Public Service Co. have shown a decline during the current year, revenue of Jamaica Public Service, in whose capital stock there is a Canadian investment interest, has been sufficient to cover dividends paid to date. Dividends on the 45,000 shares are maintained at an annual rate of $1 a share.

Latest monthly figures available cover operations in the 12 months ended June 30. Gross earnings in that period were down 5 per cent and net earnings showed a drop of 10 per cent. Surplus after charges was down 12 per cent at $205,720.

No major additions to plant have been undertaken during the current year.

B. C. Gold Output Higher

Gold production in British Columbia increased by 25 per cent in the first half of this year. Placer mining is active with 5,000 men in search of gold. Production of all minerals in British Columbia in the first six months of 1932 was valued at $14,336,060.

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WEEK ENDING AUGUST 29

Range 1932 High	Range 1932 Low	Divd. Rate	Yield in % Aug. 27	Stock	Sales	Close Aug. 22 (or last)	Week Ending Aug. 29 High	Low	Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

x Quotations for 1931. No sales recorded in 1932 to date.
‡ New York quotations.
‡ Quotations for 1930.
† Plus 30c. extra paid Jan. 2, 1932.
‡ 2% stock dividend payable Sept. 1; 2% paid June 1; 25c cash paid Mar. 1, 1932.
‡ Plus final div. of 17½c paid March 31, 1932.
* Minimum price is set, below which trading is not permitted for time being; Price Bros. com. 25; pref. 70.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Winnipeg Stock Exchange

August 26, 1932

	Bid	Ask		Bid	Ask
Beaver Fire	..	95	N. Can. Mtge. pfd.	..	15
Beaver Lumb. pf.	..	74	North. Trust	..	..
Can. Amer. Tr. shs.	..	3¼	Un. Gr. Growers	11½	..
City Dairy (Wpg.) pref. 7%	..	55	Traders' Bldg.	75	..
Do., pref. 8%	..	80	West. Breweries	1	2
Corp. Steel c.	..	5	Fund. Tr. shs. "A"	..	3¾
Cres.-Cream. pfd.	55	..	Do., "B"	..	3½
Home Inv. & Sav.	20	..	Grouped Inc. shs.	..	4.31

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited) Investment Bankers—Toronto
August 30, 1932

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	.50	.85
Acadia Sugar pf.	2.50	3.00
Acme Farmers Dairy pfd.	60.00	68.00
Agnew Surpass pfd.	56.50	63.00
Allens Lond. pfd.	28.50	....
Allens Parkdale pfd.	36.00	....
Allens Toronto pf.	13.50	....
Andian Nat. Corp.	19.75	22.50
Canada & Dom. Sugar c.	18.50	19.50
Canada Mach. c.	3.25	5.00
Canada Mach. pf.	21.00	26.00
Canada Pack. c.	11.00	....
Canada Pack. pf.	57.00	....
Canada Starch pfd.	63.00	68.00
Canada Tea pfd.	....	56.00
Canada Wire & Cable pf. W.W.	71.50	75.00
Can. Industries c. "A"	63.00	68.00
Can. Industries c. "B"	62.00	65.00
Can. Industries 7% pfd.	100.50	104.00
Can. Westing.	36.00	37.75
Chase, A. W. Units	24.00	27.00
Claude Neon Gen. Adv. Units	23.00	27.00
Claude Neon Gen. Adv. c.	1.25	3.00
Crescent Creameries pfd.	55.00	60.00
Dodge Manufacturing "A" pf.	5.00	....
Dodge Manufacturing "B" c.	1.10	....
Dom. Foundries & Steel c.	5.25	8.00
Dom. Foundries & Steel pfd.	68.25	74.00
Dom. Mfrs. pfd.	65.50	70.00
Dunlop Tire 7% pfd.	40.00	45.00
Eastern Dairies Ltd. pfd.	62.00	67.00
Edmonton Stockyards Units	....	52.00
Fed. Grain pfd.	24.50	28.00
Goderich Elevator & Transit	9.50	10.75
Greening Wire 7% pfd.	66.00	74.00
Guardian Rlty. pf.	18.50	25.00
Guelph Carpet pfd. bonus c.	69.00	74.00
Inter City Baking com.	40.25	42.75
Inter. Proprietaries "A"	25.50	26.50
Langleys pfd.	....	40.00
Loew's Lond. c.	.35	....
Loew's London 7% pfd.	2.60	3.25
Massey Harris pfd.	15.50	16.50
Melchers Distilleries "A"	1.20	....
Mount Royal Hotel c.	.45	1.00
Mount Royal Hotel pfd.	5.10	6.50
Nat. Grocers c.	1.25	2.00
Nat. Grocers 2nd pfd.	36.50	40.00
Nat. Sewer Pipe "A"	18.25	....
Nat. Sewer Pipe com.	6.00	....
Neilson, Wm., c.	3.75	....
Price Bros. c.	4.00	....
Provincial Paper 7% pfd.	39.00	46.00
Reliance Grain pf.	50.50	....
Rolland Paper pfd. W.W.	26.00	30.00
Standard Clay Products c.	20.00	27.50
Standard Fuel pfd. bonus	51.50	55.00
Supertest Petroleum "B" pfd.	15.00	20.00
Toronto Brick pf.	....	36.00
Toronto Carpet c.	....	94.00
Toronto Carpet 8% pfd.	....	88.00
Toronto Elevators 7% pfd.	71.00	73.00
Toronto Hous. c.	20.00	30.00
Western Grain pfd. bonus c.	18.00	21.00
Willards Choc. pf.	....	22.00

Insurance Stocks:	Bid	Asked
Canada Life Ass.	340.00	....
Canada Nat. Fire	15.00	17.00
Can. Fire Insur.	65.00	72.00
Capital Life 20% pd.	10.50	16.00
Confederation Life 20% pd.	121.00	135.00
Continental Life 20% pd.	45.00	55.00
Crown Life Ins.	95.00	105.00
Dom. Fire Ins.	80.00	90.00
Dom. Life 50% pd.	225.00	275.00
Dom. of Can. Gen. Ins.	109.00	125.00
Empire Life 15% pd.	5.50	7.00
Excelsior Life 30% pd.	70.00	77.50
Fidelity Ins. of Canada	....	70.50
Great West Life Assce.	235.00	250.00
Guarantee Co. of N.A.	175.00	225.00
Halifax Fire Ins.	12.00	13.75
Imp. Life Assce.	245.00	290.00
Mfrs. Life Ins.	220.00	260.00
Monarch Life 10% pd.	19.00	21.50
National Life 25% pd.	70.00	77.00
Saskatchewan Life 10% pd.	11.00	15.00
Sovereign Life 25% pd.	15.00	20.00
Sun Life Assur.	440.00	470.00
Western Assur. c.	11.00	15.00
Western Life 20% pd.	8.25	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	146.00	154.00
Can. Gen. Investments Ltd.	3.00	3.50
Chartered Trust	64.50	72.00
Deb. & Sec. c.	4.00	....
Deb. & Sec. pfd.	20.00	....
Eastern Can. Sav. & Loan	106.00	114.00
Eastern Trust	130.00	150.00
Guelph & Ont. Inv. par $50	43.50	50.50
Lambton Loan & Savings	56.00	64.00
Investment Foundation Units	14.00	19.00
London & Western Trust	80.50	90.00
Mtge. Disc. pfd.	2.00	3.00
Mutual Fin. pfd.	....	2.35
Northern Trust	....	25.00
Premier Trust	81.25	88.00
Provincial Bank	98.50	105.00
Sec. Loan & Savings	95.50	100.00
Sherbrooke Tr.	105.00	120.00
Sterling Trust	54.00	64.00
Traders Fin. c.	.75	1.50
Traders Fin. pfd.	17.00	....
Trusts & Guar.	40.00	45.00
Union Trust	....	94.75
Victoria Trust & Savings	69.00	....
Waterloo Trust & Savings	100.00	110.00
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	94.50	97.50
Calgary Power 6% pfd.	67.50	71.50
Can. Light & Pwr. com.	15.00	20.00
Can. West. Nat. Gas LH&P c.	18.50	23.00
Can. West. Nat. Gas LH&P pfd.	68.50	71.00
Great Lakes Pwr. pfd.	....	66.00
Maritime Tel. & Tel. c.	10.00	11.00
Maritime Tel. & Tel. pfd.	10.00	11.00
N.B. Pwr. 1st pf.	....	65.00
N.B. Tel. c.	7.50	8.25
N.S. L&P pfd.	63.00	....
Ottawa LH&P 6½% pfd.	78.00	....
Recent London Quotations:		
Brewer Distillers		3s. 3d.
Can. & For. Sec.		5s.
Can. West. Lumber		1s. 10½d.
Hudson's Bay		20s.
Do., 5%		65s.
Internat. Holdings		$15-16
Nfld. Pr. & Pap. deb. stock "B"		99½
Trust & Loan of Can.		1s. 9d.

Active Unlisted Bonds

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August 30, 1932

Industrial Bonds:	Bid	Asked
Abitibi P. & P. 5% 1953	30.00	33.50
Acadia Sugar 6% 1946	80.00	85.00
Alta. Pac. Grain 6% 1946	78.00	....
American Sales Book 6% 1939	101.00	....
Arnold Bros. 6% 1947	45.00	53.00
B. A. Oil 5% 1945	88.50	93.50
Brandram Henderson 6% 1939	45.00	50.00
Canada Biscuit 6½% 1946	22.00	26.00
Canada Bread 6% 1941	85.00	87.00
Canada Cement 5½% 1947	81.00	85.00
Can. Machinery 6% 1941	60.00	....
Can. Steamship 6% 1941	37.00	41.00
Can. Bakeries 6½% 1945	50.00	55.00
Can. Canners 6% 1950	72.00	77.00
Can. Copper Refin. 6% 1945	90.00	93.00
Can. Cottons 5% 1940	82.00	86.00
Can. Vickers 6% 1947	70.50	74.50
Cosmos Imp. Mills 6½% 1944	78.00	85.00
Davies, Wm. 6% 1942	76.00	81.00
Debenture & Sec. 4% 1936	45.00	....
Dom. Manufacturers 6% 1933	96.00	....
Dom. Tar & Chemical 6% 1949	69.00	....
Dom. Telegraph 5½% 1978 "A"	84.00	89.00
Donnacona Paper 5½% 1948	16.00	....
Eastern Car 6% 1952	68.00	....
Famous Players 6% 1948	68.00	73.00
Fraser Co. 6% 1932	12.00	....
Goodyear Cotton 6% 1949	88.00	93.00
Great Lakes Paper 6% 1950	22.00	24.00
Gypsum, Lime & Alab. 5½% 1948	60.00	64.00
Howard Smith 5½% 1953	58.00	63.00
Loew's Toronto 6% (Serial)	95.00	100.00
London Realty 6½% 1950	50.00	54.00
Maple Leaf Milling 5½% 1949	57.00	62.00
Massey Harris 5% 1947	63.00	67.50
Mercury Mills 5½% 1953	45.00	....
McColl Frontenac 6% 1949	87.00	92.00
McKinnon Industries 6½% 1945	90.00	97.00
Metropolitan Bldg. 7% 1944	79.00	85.00
Montreal Drydock 6% 1948	55.00	62.00
Nor. Mexico Power 7% 1933	79.00	....
Ont. Steel Products 6% 1943	77.00	80.00
Rolland Paper 5½% 1948	58.00	....
Simpsons Ltd. 5½% 1949	57.00	62.00
Simpsons Ltd., 6% 1949	63.00	66.00
Standard Clay Prod. 6% 1942	69.00	79.00
Steel of Canada 6% 1940	101.50	105.00
United Grain Growers 5% 1948	73.00	....
United Grain Growers 5½% 1949	75.00	....
Western Grain 6% 1949	65.00	....
Public Utility Bonds:		
Bell Telephone 5% 1955	107.00	112.00
B. C. Power 5% 1960	82.75	86.50
B. C. Power 5½% 1960	91.75	95.00
B. C. Telephone 5% 1960	90.00	93.00
Calgary Power 5% 1960	82.75	87.00
Can. Northern Pwr. 5% 1953	79.00	82.00
Duke Price Power 6% 1966	67.00	....
Elec. Develop. 5% 1933	112.00	....
French Natl. Mail SS 6/52	116.00	....
Gatineau Pwr. 5% 1956	79.00	....
Gatineau Pwr. 6% 1941 Apr. 1	66.00	69.00
MacLaren Quebec 5½% 1961	75.00	....
Manitoba Power 5½% 1951	70.00	73.00
Montreal Isl. Pwr. 5½% 1957	94.50	....
Montreal LH&P 5% 1951	102.50	....
Montreal LH&P 5% 1970	102.75	....
Montreal Tram. 5% 1941 July	96.75	94.00
Montreal Tram. 5% 1955	83.75	86.25
Northwest. Utilities 7% 1938	79.00	84.50
Ont. Pwr. Service 5½% 1950	66.00	69.00
Ottawa Valley Pwr. 5½% 1970	92.00	95.50
Quebec Power 5% 1968	83.75	87.00
Rio Tramways 5% 1935	84.00	87.00
Shawinigan W&P 4½% 1970	72.50	82.00
Shawinigan W&P 5% 1970	88.00	91.25
Shawinigan W&P 6% 1937	89.00	95.00
Southern Can. Pwr. 5% 1955	87.00	92.00
West Kootenay Pwr. 5% 1956	86.75	89.50
International Power 6½% 1957	52.00	55.00
Government Provincial & Railway		
C.N.R. 4½% 1951 Dom. Gtd.	97.25	98.75
C.N.R. 4½% 1957 Dom. Gtd.	97.00	98.25
C.N.R. 5% 1969 Dom. Gtd.	103.00	104.25
C.P.R. 6% 1942	99.00	100.50
Dom. of Can. 5% 1941	100.25	101.50
G.T.P. 3% 1962 Dom. Gtd.	73.25	....
G.T.P. 4% 1962 Dom. Gtd.	87.00	....
Ont. Hydro 5% 1939 Ont. Gtd.	98.00	100.50
Prov. of N. B. 5½% 1950	100.00	103.00
Prov. of Ontario 5% 1948	99.25	100.75
Prov. of Ontario 5½% 1947	103.00	105.25

Foreign Exchange

	New York Funds High (Premium) %	Low %	Last Year High (Premium) %	Low %
August 24	13 1-4	12 3-4	5-16	19-64
August 25	13 1-2	13 3-16	21-64	5-16
August 26	13 3-16	12 15-16	11-32	5-16
August 27	13	12 7-8	23-64	11-32
August 29	12 3-8	12 1-8	21-64	19-64
August 30	12 3-32	11 15-16	5-16	19-64

STERLING, FRANCS AND LIRE
(Close Demand in New York)

	Sterling	Francs	Lire
August 24	3.46 1-8	3.91 3-4	5.12 1-4
August 25	3.46	3.92 1-16	5.12
August 26	3.46 3-8	3.92 1-8	5.12
August 27	3.46 5-8	3.92 1-8	5.12
August 29	3.46 5-8	3.91 3-4	5.12 1-8
August 30	3.47 3-8	3.91 7-8	5.11 3-4

FOREIGN EXCHANGE
(Close Demand in Toronto)

Par		Aug. 16	Aug. 23	Aug. 30
5.26	Italian	5.88¾	5.82¾	5.74
23.80	German	27.38	27.08	26.65
13.90	Belgian	15.96	15.78	15.50
49.80	Japanese	28.29½	26.40	26.34

Dividends Declared

	Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Oct. 1	Sept. 15
Bank of Nova Scotia	14%	3½%	Oct. 1	Sept. 15
Belding Corticelli, pref.	7%	1¾%	Sept. 15	Aug. 31
Brit. Amer. Oil (coupon 10)	80c	20c	Oct. 1	Sept. 14
Bell Telephone	7%	1¾%	Oct. 15	Sept. 23
Brazilian Traction, pfd.	6%	1½%	Oct. 1	Sept. 15
B. C. Power "A"	$2	50c	Oct. 15	Sept. 30
Canada Malting	$1.50	37½c	Sept. 15	Aug. 31
Can. Iron Found. pfd.	3%	1½%	Sept. 15	Aug. 31
Candn. Gen. Electric	$4	$1	Oct. 1	Sept. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Can. Wire Boxes, "A" pfd.	$1	25c	Oct. 1	Sept. 15
Can. Wire & Cable pref.	6½%	1⅝%	Sept. 15	Aug. 31
Can. Northern Pr.	80c	20c	Oct. 25	Sept. 30
Do., pref.	7%	1¾%	Oct. 15	Sept. 30
Can. Pacific Ry. pf.	4%	2%	Oct. 1	Sept. 1
Canadian Oil, pref.	$8	$2	Oct. 1	Sept. 20
Can. Perm. Mtge.	$12	$3	Oct. 1	Sept. 15
Dominion Bank	10%	2½%	Oct. 1	Sept. 20
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Dominion Glass	$5	$1.25	Oct. 1	Sept. 15
Do., pref.	$7	$1.75	Oct. 1	Sept. 15
Dominion Stores	$1.20	30c	Oct. 1	Sept. 15
Hamilton Un. Theatres, pfd.	7%	1¾%	Sept. 30	Aug. 31
Hollinger Gold Mines	65c	5c	Sept. 8	Aug. 25
Inter. Petroleum (coupon 34)	$1	25c	Sept. 15	Aug. 31
Imperial Tobacco, ord.	35c	8¾c	Sept. 30	Aug. 31
Do., pref.	6%	3%	Sept. 30	Aug. 31
Inter. Proprietaries "A"	$2.60	65c	Sept. 15	Aug. 25
Lake Shore Mines	$2	50c	Sept. 15	Sept. 1
Lindsay, C. W., pfd.	6½%	1⅝%	Sept. 15	Aug. 15
McColl Frontenac, c.	60c	15c	Sept. 15	Aug. 15
Montreal Cottons	6%	1½%	Sept. 15	Aug. 31
Do., pref.	7%	1¾%	Sept. 15	Aug. 31
Montreal Loan & Mtge.	12%	3%	Sept. 15	Aug. 31
Maritime Tel. & Tel., pfd.	70c	17½c	Oct. 1	Sept. 15
Do., com.	80c	20c	Oct. 1	Sept. 15
National Breweries	$1.60	40c	Oct. 1	Sept. 15
Do., pref.	$1.75	44c	Oct. 1	Sept. 15
National Steel Car	80c	20c	Oct. 1	Sept. 20
Northern Ont. Power	$2	50c	Oct. 25	Sept. 30
Do., pref.	6%	1½%	Oct. 25	Sept. 30
Paton Manufacturing, pfd.	7%	1¾%	Sept. 15	Aug. 31
Power Corp., pref.	$6	$1.50	Oct. 15	Sept. 30
Do., 2nd pref.	$3	75c	Oct. 15	Sept. 30
Reliance Grain pfd.	6½%	1⅝%	Sept. 15	Aug. 31
Southern Can. Power, pfd.	6%	1½%	Oct. 15	Sept. 20
Standard Steel "A" pfd.	$3	75c	Oct. 1	Sept. 15
Supertest Pete., pfd. "A"	7%	1¾%	Oct. 1	Sept. 16
Do., pfd. "B"	6%	1½%	Oct. 1	Sept. 16
Do., com.	$1	25c	Oct. 1	Sept. 16
Do., ord.	$1	25c	Oct. 1	Sept. 16
Walker-Gooderham, pfd.	$1	25c	Sept. 15	Aug. 27
West. Can. Flour, pfd.	6½%	1⅝%	Sept. 15	Aug. 31

Dividends Passed or Deferred:

Canada Wire & Cable "A," com. Sept. 15, passed. Last paid $1 June 15, 1932.

Canadian Pacific Railway, semi-annual common, due Oct. 1, 1932, deferred until full year's earnings are known. Last payment 31¼c. on quarterly basis, April 1, 1932.

Aluminum Ltd., 6% pref., Sept. 1, deferred. Last paid 75c. June 1, 1932.

Photo Engravers, Sept. 1, deferred. Last paid 50c June 1, 1932.

Canada Iron Foundries, com., Sept. 15, passed. Last paid $1.50 March 15, 1932.

Canada Cement, pref. Sept. 30, deferred. Last paid 1⅝% June 30, 1932.

Inter-City Baking, c. Sept. 20, passed. Last paid $2 March 23, 1932.

New Method Laundry, pfd. Sept. 1, deferred. Last paid 1¾% June 1, 1932.

Dividend Rate Reduced:

Bank of Nova Scotia, 3½% Oct. 1. Reduced from 16% to 14% per annum.

Canada Iron Foundries, pref., 1½% Sept. 15. Reduced from 6% to 3% per annum.

Dominion Bank, 2½% Oct. 1. Reduced from 12% to 10% per annum.

Listed Bond Quotations

Week Ending August 29

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1932 High	Range 1932 Low
Abitibi, 1st mtge.	5	1953	...	30	...	...	46	19½
Asbestos	5	1942	...	20	...	...	65½	40
Do., 1st mtge.	6	1941	...	...	...	...	*20	1
Do., gen. mtge.	6	1956	...	...	...	...	*9	...
Can. Cons. Rub.	6	1946	...	...	...	...	*69½	...
Can. Cottons	5	1940	...	...	...	...	*91	90
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Locomotive	6	1951	...	...	...	...	‡96	...
Can. Pr. (Laur.)	5½	1958	...	†6½	...	...	7	5
Do. (Way. Ser.)	5½	1956	...	...	...	...	*28½	5½
Can. S. S. debs.	5	1943	...	...	...	...	‡98¼	...
Cedars Rapids	5	1953	5.23	†100	...	...	100	95
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	†98¼	...	...	*98½	95
McNish	6	1948	...	100	...	...	1.25	1.00
Mex. L & Pr.	5	1940	...	...	...	...	*73½	70½
Mont. L.H.&P. deb.	3	1939	...	40½	41½	40½	41½	35
Mont. Tr. 1st mtge.	5	1941	5.37	...	...	...	97½	91
Mont. Trams. "A"	5	1955	6.27	...	84½	84	84½	69½
Do. G. & Ref. "B"	5	1955	7.45	...	...	...	79½	78½
Do., "C"	4½	1955	...	...	...	...	*85	84
Do., "D"	5	1955	6.62	...	...	...	81	78
N. S. Steel	5	1959	...	...	...	...	*62½	59
Ontario Steel	6	1943	5.94	90	...	...	100½	...
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada	6	1940	5.90	100¾	...	...	102½	100½
Wayagamack	6	1951	...	†41	...	...	*75	45
Winnipeg Elec.	5	1935	...	86	...	...	*99½	93½
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	5.80	...	...	...	102¾	...
Dominion Govt. Bonds (Montreal)								
War Loan	5	1937	2.30	110.75	....	....	107.00	105.00
Victory Loan	5½	1933	4.00	101.45	....	....	101.55	100.25
Do.	5½	1934	4.58	101.75	....	....	101.90	99.25
Do.	5½	1937	3.72	108.25	....	....	108.15	104.00
Do., refund	4½	1940	4.80	97.50	....	....	97.25	91.50
Do., refund	5	1943	4.89	101.00	100.87	....	100.87	95.38
Do., refund	4½	1944	4.85	....	96.60	....	96.75	89.50
Do., refund	4½	1946	4.80	96.63	....	....	92.25	91.50
Conversion Loan	4½	1956	4.76	95.50	....	....	91.50	88.25
Do.	4½	1957	4.84	95.50	....	....	90.50	98.00
Do.	4½	1958	4.77	96.88	....	....	96.00	88.50
Do.	4½	1959	4.70	97.00	97.00	96.75	97.00	89.00
Nat. Service Loan	5	1936	4.60	101.50	101.40	101.00	101.40	96.25
Do.	5	1941	4.84	100.88	....	....	100.75	95.00

†Latest ask.
‡Quotations for 1930. *For 1931. None recorded in 1932 to date.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co. Limited
Canada Permanent Bldg., Toronto, Ontario
August 27, 1932

Provinces	Rate	Actual Maturity	Next Int. Date	Approx. Price	Approx. Yield %
*Alberta	4½	1 Oct., 1958	1 Oct.	$ 87.00	$ 5.42
Alberta	5	1 July, 1943	1 Jan.	94.00	5.75
Alberta	6	1 Mar., 1947	1 Sept.	101.00	5.90
*British Columbia	4½	1 Oct., 1953	1 Oct.	90.40	5.25
*British Columbia	5	15 Jan., 1948	15 July	97.30	5.25
British Columbia	6	15 Feb., 1947	15 Feb.	101.75	5.82
Manitoba	4	1 July, 1947	1 Jan.	81.26	5.90
*Manitoba	5	2 Dec., 1959	2 Dec.	96.50	5.24
Manitoba	6	1 Apr., 1947	1 Oct.	100.25	5.97
*New Brunswick	4	1 June, 1948	1 Dec.	91.15	4.80
*New Brunswick	4½	15 June, 1936	15 Dec.	99.85	4.80
New Brunswick	5½	1 May, 1950	1 Nov.	101.75	5.35
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	97.15	4.75
Nova Scotia	5	1 May, 1943	1 Nov.	99.50	5.05
*Ontario	4½	1 Sept., 1944	1 Sept.	101.00	4.40
Ontario	5	15 Oct., 1948	15 Oct.	100.50	4.95
Ontario	5½	1 Feb., 1947	1 Feb.	104.50	5.06
P. E. I.	4	1 Apr., 1939	1 Oct.	90.55	5.65
P. E. I.	6	1 May, 1947	1 Nov.	103.00	5.65
*Quebec	4½	1 May, 1961	1 Nov.	100.00	4.25
Saskatchewan	4½	1 Oct., 1944	1 Oct.	85.50	6.24
Saskatchewan	5	1 Oct., 1950	1 Oct.	90.00	5.91
Saskatchewan	6	15 Mar., 1952	15 Sept.	98.50	6.12
*Newfoundland	5	31 Dec., 1952	31 Dec.	74.00	7.50
*Newfoundland	5½	1 July, 1939	1 Jan.	75.50	10.55
*Newfoundland	6½	30 June, 1936	30 Dec.	81.00	13.00
Cities					
*Montreal	5	1 Sept., 1963	1 Sept.	103.20	4.80
*Toronto	4½	1 Jan., 1955	1 Dec.	95.90	4.80
*Vancouver	5	15 Jan., 1970	15 July	90.65	5.60
Winnipeg	5	1 Mar., 1944	1 Sept.	91.55	6.00
*Edmonton	5½	1 Apr., 1947	1 Oct.	88.35	6.75
Calgary	5	1 Jan., 1943	1 Jan.	87.00	6.75
Halifax	6	1 July, 1951	1 Jan.	104.65	5.60
St. John	5	15 Dec., 1950	15 Dec.	93.25	5.60
Regina	4½	1 July, 1950	1 Jan.	76.75	6.75
Victoria	5	21 July, 1945	21 July	90.20	6.10
Quebec	5	1 June, 1948	1 Dec.	100.00	5.00

*New York payment.

Winnipeg Grain Prices

Week to August 30

Crop year from Aug. 14, 1931 High	Low		Open Aug. 24	High for week	Low for week	Close Aug. 30
		Wheat				
.60½	.54¾	Oct.	.55½	.58½	.54¾	.57
.61¾	.55¾	Dec.	.57¾	.59⅞	.56½	.58½
.66	.60½	May	.61¾	.64½	.61	.63
		Oats				
.27⅞	.24½	Oct.	.25¾	.26½	.25½	.25¾
.27	.24½	Dec.	.25	.26½	.24¾	.25¾
.29½	.28¾	May	...	.29½	.28¾	.29½
		Barley				
.35⅛	.31½	Oct.	.32	.35⅛	.31½	.33½
.35	.31½	Dec.	.32	.35	.31½	.33½
.38½	.36⅛	May	...	.38½	.36⅛	.37⅝
		Flax				
.81	.70½	Oct.	.73½	.81	.73½	.80½
.83	.73	Dec.	.76½	.83	.74½	.83
.90⅝	.78⅛	May	....	.90⅝	.81¼	.89½
		Rye				
.36	.32⅞	Oct.	.32½	.35½	.33½	.34½
.37⅞	.33⅝	Dec.	.35	.37½	.34¼	.36⅝
.41⅛	.38	May	.39¾	.41½	.39½	.40⅝

Canadian Bonded Grain in U. S.

Quotations on New York Produce Exchange, Basis Buffalo
Week to August 30

High 1932	Low 1932		Close Aug. 23	High for week	Low for week	Close Aug. 30
		Wheat				
.66½	.50	Oct.	.51	.51	.50	.50½
.59⅞	.52½	Dec.	.54½	.53½	.52½	.53

ROMAN CATHOLICS ONLY LARGE GROUP TO MAKE HEADWAY

Religious Census Reveals Others Did Not Equal Population Gain

Only two of the five chief religious groups in Canada, the Roman Catholics and Lutherans, have increased in greater proportion than the growth of population during the last decade, according to statistics revealed by the census of the Dominion Bureau of Statistics. All the chief groups have increased in number, however, although the increase of the United Church and Presbyterians combined is 7 per cent below the population growth, the increase of the Anglicans is 2 per cent less and the Baptists 13 per cent less.

The United Church is the leading denomination in Ontario, Manitoba, Saskatchewan and Alberta. The Roman Catholics lead in Quebec, Prince Edward Island, New Brunswick, Nova Scotia and the North West Territories. The Anglicans are leaders in British Columbia and the Yukon.

Number of adherents to the main religious groups are as follows:

Religious Denominations of Canadians

	1931	1921
Adventist	15,983	14,179
Anglican	1,635,321	1,407,994
Baptist	443,229	421,731
Brethren	15,067	11,580
Buddhist	15,670	11,281
Christian	11,431	12,566
Ch. of Christ	15,778	9,367
Confucian	23,982	27,114
Christian Sc.	18,418	13,826
Doukhobor	14,905	12,648
Evangelical Assoc.	22,080	18,905
Greek Cath.	186,587	169,832 (Greek Cath. and Greek Orth.)
Greek Orth.	102,115	
Holiness Movement	4,115	......
Intl. Bible Students	13,439	......
Jew	155,606	125,197
Lutheran	394,052	286,458
Mennonites	88,565	58,797
Mormon	21,947	19,622
No Religion	20,473	21,739
Pagan	4,994	6,778
Pentecostal	25,917	......
Plymouth Brethren	6,881	6,482
Presbyterian	870,482	1,409,407
Protestant	23,282	30,754
Roman Catholic	4,098,546	3,389,636
Salvation Army	30,635	24,738
United Church	2,016,897	*
Unitarian	4,445	4,926
Various	59,901	56,512
Not given	16,043	19,354
	10,376,786	8,788,483

*Not formed. Includes Congregationalists, 30,730; Methodists, 1,159,458; and portion of Presbyterians.

Taking the provinces in order the following are the proportions of the leading organizations:

Prince Edward Island: Population, 88,038; R.C., 39,064; U. C., 21,979; Pres., 14,803; Baptist, 5,066; Ang., 5,066; Jew, 19.

Nova Scotia: Population, 512,846; R. C., 161,856; U. C., 110,528; Ang., 88,710; Baptist, 82,098; Pres., 48,943; Lutheran, 7,949; Jew, 1,935.

New Brunswick: Population, 408,219; R. C., 188,007; Baptist, 83,853; U. C., 61,190; Ang., 48,926; Pres., 16,257; Jew, 1,257; Lutheran, 967.

Quebec: Population, 2,874,255; R. C., 2,458,283; Ang., 149,814; U. C., 88,200; Jew, 59,735; Pres., 59,498; Baptist, 10,968; Greek Orth., 8,972; Lutheran, 8,254.

Ontario: Population, 3,431,683; U. C., 973,773; Ang., 764,002; R. C., 715,848; Pres., 450,577; Baptist, 171,214; Lutheran, 96,957; Jew, 62,088; Greek Orth., 28,742; Menn., 17,574; Greek Cath., 17,115.

Manitoba: Population, 700,139; U. C., 178,201; Ang., 128,351; R. C., 122,982; Greek Cath., 66,671; Pres., 55,690; Lutheran, 46,879; Menn., 30,299; Jew, 19,192; Greek Orth., 15,757; Baptist, 13,483.

Saskatchewan: Population, 921,785; U. C., 243,356; R. C., 189,703; Ang., 112,964; Lutheran, 113,631; Pres., 67,943; Greek Cath., 44,265; Menn., 31,319; Greek Orth., 31,096; Baptist, 22,606; Jew, 5,047.

Alberta: Population, 731,605; U. C., 176,588; R. C., 130,893; Ang., 112,964; Lutheran, 82,409; Pres., 72,040; Greek Cath., 37,500; Baptist, 30,488; Greek Orth., 26,424; JeJw, 3,663.

British Columbia: Population, 694,263; Ang., 205,007; U. C., 164,656; R. C., 87,333; Pres., 84,158; Lutheran, 36,627; Baptist, 28,391; Confucian, 17,517; Buddhist, 14,980; Jew, 2,666.

Yukon: Population, 4,230; Ang., 2,299; R. C., 647; Pres., 432; U. C., 352; Lutheran, 239; Baptist, 44; Jew, 2.

Northwest Territories: Population, 9,723; R. C., 3,930; Ang., 3,352; Pagan, 1,206; others, 630.

"SOO" LINE GETS LOAN FROM I. C. C.

C. P. R. Interested in Latest Financial Move of U. S. Road

From Our Own Correspondent

MONTREAL.—Interstate Commerce Commission has granted approval of a loan of $5,000,000 by the Reconstruction Finance Corporation to the Minneapolis, St. Paul & Sault Ste. Marie Railway Co.; the original request in this instance was for $10,000,000, but was later reduced.

The commission also authorized the company to issue $5,000,000, 6 per cent secured notes, which will be secured by the pledge of $6,250,000 first refunding mortgage bonds, Series "B."

Notes to be Exchanged

The company is proposing to turn over in full payment of $10,000,000 one-year secured notes, which matured on Aug. 1, 1932, $5,000,000 in cash and $5,000,000 in notes as noted above.

The new 6 per cent notes have been issued under and pursuant to a trust agreement dated July 29, 1932, between the company and the Central Hanover Bank and Trust Co., as trustee, which provides for the issue of notes in an aggregate amount not to exceed $5,000,000, and for the pledge with the trustee, as collateral security therefor, of not exceeding $6,250,000 of the company's first refunding mortgage bonds 5½ per cent series "B" dated July 1, 1929, due July 1, 1978, guaranteed as to interest by the Canadian Pacific Railway Co.

Two Year Notes

The notes are dated July 29, 1932, and will mature August 1, 1934. They are in coupon form in denominations of $1,000 and $500 registerable as to principal. Interest is at the rate of 6 per cent per annum from August 1, 1932, and is payable semi-annually on Feb. 1 and Aug. 1 in each year. The above note issue together with all the outstanding notes of a maturity of two years or less exceeds 5 per cent of the par value of the company's securities outstanding.

Over 99 per cent of the one-year, 5 per cent secured notes maturing Aug. 1, 1932, have been redeemed in this manner. The remaining holders are being advised of the plan by Dillon, Read and Co., who originally distributed this issue.

Halifax Property Values Increase

The city auditor of Halifax, in his annual report, records that the assessable property of the city has increased from $91,247,130 in 1929 to $101,257,110 in 1932. Real estate values also show a steady increase, he finds, both in business and residential sections.

New Financing in August Exceeds Previous Years

Saskatchewan and British Columbia Account For Increase; Better Prices Attract More Municipalities

Improvement in the prices for provincial and municipal bonds during August brought two provinces and several municipalities into the market and while the total financing for the month amounted to only $9,303,110 this volume exceeded that for the corresponding month in 1931 by a substantial margin and was higher than the volume in August, 1930. While Saskatchewan was able to sell bonds aggregating $3,980,000 in the domestic market, possibly the most important development of the month was the sale by British Columbia of a $2,000,000 issue to a New York syndicate for public offering. This is the first new Canadian issue to be sold in New York this year.

Total Canadian Government and municipal financing in the eight months ended August 31 amounted to $193,904,909 according to figures compiled by Wood, Gundy & Co. This compares with $287,294,919 in the same period of 1931 and $252,317,096 in 1930. In 1931 financing totalled $927,111,419 in the first eight months if the Conversion Loan of $639,816,500 is included.

August financing in the past three years with a classification of the borrowers is reported by Wood, Gundy & Co. as follows:

Comparative Statement of Government and Municipal Financing for the Month of August

	1930 $	1931 $	1932 $
Prov. & Prov. Gtd.	7,150,000	....	5,980,000
Ontario Municipal	374,500	513,407	2,158,618
Que. & Marit. Municipal	335,000	1,227,000	1,164,500
Western Municipal	941,750	....	....
	8,801,250	1,740,407	9,303,110
Sold in Canada	4,752,250	940,407	7,303,118
Sold in U. S. A.	4,049,000	800,000	2,000,000

Provincial and Municipal Financing to August 31

	1930 $	1931 $	1932 $
To Aug. 31 in Dom. Govt. Direct & Gtd.	78,600,000	709,816,500*	....
Provincial Dir. & Gtd.	86,436,000	130,416,205	107,390,336
Ontario Municipal	44,840,950	33,217,151	28,980,120
Que. & Maritime Municipal	23,177,200	42,248,200	53,450,387
Western Municipal	19,262,946	11,413,363	4,084,066
Sold in Canada	108,977,996	193,498,919	176,176,576
Sold in U.S.A.	136,544,100	91,579,000	4,250,000
Sold in England	6,795,000	2,217,000	13,478,333
Conversion loan	....	639,816,500	....
Total	252,317,096	927,111,419	193,904,909

*Includes $639,816,500 conversion loan bonds.

Niagara Wire Earnings Reflect Newsprint Output

From Our Own Correspondent

MONTREAL.—Continued inactivity in the newsprint industry has found reflection in earnings of Niagara Wire Weaving Co. and the financial statement for the year ended March 31, 1932, is expected to show lower profits. The report will make its appearance within the next few weeks.

During the first quarter of the current fiscal year, conditions have been poor. In addition to the restriction of newsprint operations on a broad scale there has also been a seasonal slump in activity and Niagara Wire has encountered a still lower demand for its products. The last preferred dividend, it is understood, necessitated an encroachment into surplus, indicating that consideration may be given to deferment of further distributions until conditions improve.

Fortunes of Niagara Wire Weaving vary directly with those of the newsprint industry. The company's sales are Dominion-wide and the sharp decline in production of paper has restricted earning power. In the year ended March 31, 1931, net profit was $128,824 compared with $172,845 in the previous year; in 1931, however, profits included income from investments. Earnings equalled $5.86 a share on the preferred stock on which dividends have been paid at the rate of $3 since 1929. Common dividends were suspended in June this year.

Niagara Wire manufactures wire mesh cloth, wire-weaving machinery and similar products. Principal output comprises fine mesh endless wire screens, an essential part of Fourdrinier paper machines.

CANADIAN PACIFIC REVENUE IN JULY ON LOWER SCALE

Cumulative Returns Continue Under Those Reported Last Year

From Our Own Correspondent

MONTREAL. — Though further extensive cuts have been made in operating costs, gross revenue declines of the Canadian Pacific Railway have been greater, with the result that net operating income continues under that reported in 1931.

During July last gross revenue amounted to $9,669,343, a drop of $2,514,052 from that reported for the same month last year. Operating expenses were cut from $1,640,528 to $8,809,634, but the net revenue was only $859,708, as against $1,733,232 a year ago.

Difference is Noted

A difference is noted in the net earnings reported at this time for July, 1931, and with those given out last year. The management explain that the lower figure quoted ($1,733,232 and $1,919,169) is due to the deduction of subsidiaries' earnings in order to put the statement for this year on a comparative basis with that for 1931.

Cumulative returns for the first seven months of 1932 reveal a gross operating income of $67,714,642, or $16,779,089 less than for the same period in 1931. Operating expenses were reduced from $75,954,140 to $61,603,054, a saving of $14,351,085, as against a decline of $16,779,089 in gross revenue. Net operating income for the January-July period this year totalled $6,111,587. This compares with $8,539,591 for the same period a year ago.

Imports of Crude Pete. Higher Than in 1931

Imports of crude petroleum in its natural state in July amounted to 104,209,139 gallons valued at $3,290,654 as compared with 98,145,089 at $1,581,286 a year ago, a considerable increase in value. The supply came from United States, Colombia, Venezuela and Peru.

There was also an importation of crude petroleum not in its natural state of 2,798,868 gallons from Trinidad valued at $172,471, as well as some from the United Kingdom. The total was 2,824,185 gallons valued at $174,700 compared with 34,119 at $1,942 a year ago.

Railway Earnings

Canadian Pacific Railway

July:	1932 $	1931 $	Decrease $
Gross earn.	9,669,343	12,183,395	2,514,052
Oper. exp.	8,809,634	10,450,163	1,640,528
Net earn.	859,708	1,733,232	873,523
Seven Months:			
Gross earn.	67,714,642	84,493,732	16,779,089
Net earn.	6,111,587	8,539,591	2,428,003

September Dividend Total Is Reduced to $16,049,340

Dividend Reduction By Four Chartered Banks is Most Important Item; Four Companies Pass Payments on Preferred Stock

Dividends to be paid by Canadian corporations during September will total some $16,049,340, which compares with $19,187,372 in September, 1931, and $23,668,503 paid out in the corresponding month of 1930. As in previous months, a number of companies have found it necessary to pass dividends entirely or reduce their dividend rate and the payment of a quarterly dividend of $1 per share by Crow's Nest Pass Coal Co. is the only increase in rate to be effected. McIntyre Porcupine Mines Ltd., will pay an extra dividend of 12½ cents per share.

Dividend has been passed on the preferred stocks of Windsor Hotel Ltd., Aluminium Ltd., New Method Laundry and Canada Cement. Dividend has also been passed on the class A stock of Canada Wire & Cable Co., and the common stocks of Photo Engravers & Electrotypers Ltd., Canada Iron Foundries and Inter-City Baking.

In addition to passing the common dividend, Canada Iron Foundries has also reduced to annual dividend rate on its preferred shares from a $6 to a $3 per share basis. The Royal Bank, Bank of Montreal, Bank of Toronto and Canadian Bank of Commerce have reduced their dividends to a 10 per cent per annum basis from the former rate of 12 per cent. The common dividend of Borden Co. has been reduced from a $3 annual basis to $2 with the declaration of a quarterly dividend of 50 cents per share.

Dividend payments to be made during September, as compiled by The Financial Post, are as follows:

SUMMARY OF PAYMENTS

Dividends	$16,049,340
Bond interest	21,118,213
Total	$37,167,553

DIVIDEND PAYMENTS

Company	Rate	Date	Amount
Bk. Can. Nationale	2½q	1	$ 175,000
Bk. of Montreal	2½q	1	900,000
Bk. of Toronto	2½q	1	150,000
Belding Corticelli pfd.	1¾q	15	15,142
Bordens	50cq	1	200,000
Brazilian Tr., ord.	2%*	1	1,486,016
Canada Bread "B" pf.	50cq	1	12,500
Canada Iron, pfd.	1½s	15	58,167
Can. Malting	37½c	15	74,614
Canada Vinegars	40cq	1	36,800
Can. Wire & Cable pf.	1¾q	15	48,750
Can. Bk. of Commerce	2½q	1	750,000
Can. Celanese pfd.	1¾q	30	157,500
Can. Hydro-Elec. pfd.	1½q	1	187,500
Can. West. Nat. Gas pfd.	1¾q	1	52,500
Crow's Nest Coal	$1q	1	62,126
East. Theatres c.	50cq	1	16,000
Ham. Un. Theatres pf.	1¾q	30	13,787
Hollinger Mines	5c	8	246,000
Imperial Oil	12½cq	1	3,343,790
Imperial Tobacco	8½cq	30	826,965
Do., pref.	3s	30	240,900
Inter. Milling pref.	1¾q	1	63,109
Do., pref. "A"	1¾q	1	14,191
Inter. Petroleum	25cq	15	3,581,022
Do., pref.	25cq	15	50,000
Inter. Proprietaries 'A'	65cq	15	145,772
Lake Shore Mines	50cq	15	1,000,000
Laura Secord	*75cq	1	43,125
Lindsay, C. W., pfd.	1¾q	15	11,108
Loblaw "A" & "B"	20cq	1	169,193
McColl Frontenac c.	15cq	15	75,000
McIntyre Mines	25cq	1	199,500
Do., extra	12½c	1	99,750
Montreal Cotton	1¾q	15	45,000
Do., pref.	1¾q	15	52,500
Montreal L. & Mtge.	3q	15	18,000
N.S. Light & Pr. pfd.	1½q	1	18,750
Ogilvie Flour pfd.	1¾q	1	35,000
Paton Mfg., pfd.	1¾q	15	10,500
Provincial Bank	2¼q	1	90,000
Reliance Grain, pfd.	1⅝q	15	32,500
Rolland Paper pfd.	1½q	1	22,500
Royal Bank	2½q	1	875,000
Simon, H. & Sons pfd.	1¾q	1	9,065
Un. Grain Growers	5y	1	159,670
Walker-Gooderham, pf.	25cq	15	135,817
West. Can. Flour pf.	1⅝q	15	39,211
Total			$16,049,340

q—Quarterly. s—Half-yearly. y—Yearly.

*Stock dividend of one fully paid share for each 50 held figured on the market value of the stock at the current price of $11.

BOND INTEREST DUE IN SEPTEMBER

Company	Rate	Rate	Due	Amount
Ad. Beatty Hotel	7	1	1944	$ 21,000
Andian National	6	1	1940	240,000
Adel. Shep. Bldg.	7	15	1948	28,000
Acadia Apts.	6½	1	1939	27,625
Bawlf Ter. Elev.	6½	1	Serial	8,450
Bell Tele. "A"	5	1	1955	750,000
Brand.-Hend.	6	15	1939	25,110
Brit. Amer. Oil	5	1	1945	119,812
B.C. Elec. deb. stk.	4½	30	Perp.	304,258
B.C. Power "A"	5½	1	1960	275,000
Do., "B"	5	1	1960	100,000
Can. Bakeries	6½	1	1945	23,101
Can. Nat. Rlys.	4½	15	1954	585,000
Do.	4½	1	1951	1,125,000
Can. Nor. Ont. 1st mtge.	3½	30	1936	187,547
Do.	3	30	1953	140,398
Do., deb. stk.	4	1	1934	341,206
Can. Pac. Rly.	4½	1	1946	450,000
Do., convert.	6	15	1942	375,000
Dom. Textile	6	1	1949	147,360
Goodyear Cotton	6	1	1949	41,895
Gt. West. Sadd.	6	1	1948	20,115
Gt. West. Timber	6½	1	1938	1,202
Gypsum Lime "A"	5½	1	1948	99,483
Hermes Bldg.	6½	1	1942	18,609
Hillcrest Coll.	5	1	1940	8,125
Hotel Victoria	6	1	Serial	7,800
Inter. Waterways	6	1	1937	2,775
Inter. Power	6½	1	1957	97,500
Interlake Trans.	6	1	1937	4,575
Legare, P. T.	6	1	1947	29,793
Lindsay, C. W.	6	1	1958	32,220
Mersey Paper "A"	6	1	1949	60,000
Mexico Trams. 1st mtge.	5	1	1963	251,370
Mtl. L.H. & Pr. 'B'.	5	1	1970	124,625
Nat. Utilities	6	15	1948	5,010
Northern Tele.	6	1	1948	4,500
N.B. Power	5	1	1937	38,262
N.S. Shipping	6	1	1943	3,195
Ontario Bldg.	6½	1	1943	26,000
Peel St. Rlts.	6½	1	Serial	16,250
Pwr. Corp. "B"	4½	1	1959	250,000
Prov. L. Heat.	5	1	1946	22,925
Regent Knit.	6½	1	Serial	12,733
Ritchie Cut Stone.	6½	1	1948	2,925
Stand. Lime	5½	1	1948	99,453
St Clair Apt. Bldg.	7	8	Serial	2,450
Silverwoods	6	1	1937	5,386
Stanley Realty	7	1	1945	14,000
Toronto Carpet "A"	6	1	1944	23,175
Trail Apts.	6	1	1947	1,200
Un. Amuse. "A"	6	1	1942	42,219
Viceroy Mfg.	6½	1	1950	9,425
West. Koot. Pr. 'A'.	5	1	1956	162,500
Corporation bonds				6,765,532
Municipal				*5,541,670
Provincial				*4,869,339
War Loan	5	1	1937	2,254,172
Victory Refund.	4½	1	1940	1,687,500
Total				21,118,213

*Figure is determined by dividing by twelve the ultimate total interest payable during the year on these issues.

Mining Stock Quotations

Week Ending August 29.

Par Val.	Range 1932 High	Range 1932 Low	Company	Sales	Close Aug. 22 (or last)	High for week	Low for week	Close Aug. 29
1	.06	.03	Abana	1,600	.04½	.06	.05	.05½
1	.02	.00½	Aconda	3,500	.00¾	.01	.01	.01
No	.15	.15	Aldermac	......	.15	.....	.....	.....
No	.20	.10	Algoma	573,200	.16½	.16½	.10	.13½
1	.09	.00¾	Alexandria	94,000	.01¾	.02½	.01½	.02½
1	.01½	.00¾	Algonquin	10,000	.00¾	.01½	.00¾	.00¾
1	.01¾	.00¾	Amity C.	......	.01	.....	.....	.....
No	.22	.06	Amulet	21,275	.18	.21	.18	.20
1	.00½	.00½	Apex	......	.00½	.....	.....	.....
1	.02½	.01	Area	50	.01½	.01	.01	.01
.	.06	.00¾	Arno	45,000	.01½	.02½	.02	.02½
1	.02¾	.02	Astoria Rouyn	......	.02¾	.....	.....	.....
1	.07	.02¾	Bagamac	1,000	.03	.02¾	.02¾	.02¾
1	.01½	.00¾	Baldwin	5,000	.01½	.01¾	.01¾	.01¾
1	.12	.03½	Barry Hollinger	7,600	.06	.06½	.06	.06
No	1.00	.30	Base Metals	660	.75	.90	.85	.90
No	.12	.01	Bidgood	21,100	.03	.03	.02½	.03
1	.16½	.04	Big Missouri	25,125	.11	.15	.12	.14½
1	.07	.02	Bobjo	88,300	.06	.07	.05½	.06¾
1	.09½	.02½	Brett Trethewey	14,200	.08	.09	.07½	.09
No	.03	.00¾	Brownlee	27,700	.02½	.02½	.01¾	.01¾
1	.00½	.00½	Buckingham	......	.00½	.....	.....	.....
No	.36	.02	Buffalo Can.	32,500	.02¾	.03	.02½	.02¾
No	.04	.01	Bunker Hill	11,000	.02	.03½	.02½	.03
5s	1.00	.10	B'Wana McKubwa	400	.10	1.00	1.00	1.00
No	.01	.00½	Cal. Flin Flon	......	.01	.....	.....	.....
No	.03	.02	Canam Metals	......	.02	.....	.....	.....
1	.04	.01½	Can. Kirkland	500	.02½	.02	.02	.02
1	.09	.00¾	Canusa	12,000	.03½	.04	.03½	.03½
No	.02½	.00¾	Capital Rouyn	2,000	.00¾	.00¾	.00¾	.00¾
1	.07	.02½	Cartier Malartic	32,500	.03	.05½	.03½	.05½
1	.21	.09	Castle Trethewey	16,900	.16	.20	.15	.20
1	.09½	.04	Cen. Manitoba	5,500	.07	.07	.06	.06
1	.13½	.02	Cen. Patricia	6,000	.11	.11	.10	.10
No	.07½	.01¾	Chibougamau Pros.	500	.03	.04	.04	.04
No	.02	.00¾	Clericy	11,000	.01½	.01½	.01½	.01½
5	3.00	.45	Coast Copper	1,815	1.75	2.60	2.20	2.60
1	.02½	.00¾	Cobalt Contact	3,500	.01½	.01½	.01½	.01½
No	.16	.15	Cobuc	......	.15½	.....	.....	.....
1	.08	.03	Columario	3,500	.04½	.04	.04	.04
5	1.00	.69	Coniagas	100	.69	1.00	1.00	1.00
No	.50	.28	Coniaurum	500	.40	.40	.40	.40
25	76.50	25.00	Cons. Smelters	4,622	72.00	76.50	71.00	75.50
No	12.65	9.00	Dome Mines	6,775	12.25	12.25	11.95	12.15
No	.10	.02	Dom. Explorers	87,800	.07	.07½	.06½	.07½
1	.03½	.00¾	Don Rouyn	2,000	.03	.02¾	.02¾	.02¾
.	.04	.03½	Duparquet	......	.03¾	.....	.....	.....
1	1.60	.76	Eldorado	28,810	1.52	1.60	1.47	1.50
No	1.33	.47	Falconbridge	15,825	1.11	1.33	1.12	1.26
1	.04	.00¾	Federal	4,000	.01½	.01½	.01½	.01½
No	.00½	.00¾	Flintoba	......	.00¾	.....	.....	.....
No	.07	.00¾	Gem. Lake	6,000	.01½	.01	.01	.01
1	.03	.00¾	Goldale	1,500	.03	.02½	.02½	.02½
10	.24	.05½	Goldfield	......	.15	.....	.....	.....
1	.00½	.00¾	Gold Hill	......	.00¾	.....	.....	.....
1	.04	.02¾	Goodfish	1,500	.02¾	.03	.03	.03
1	.02	.00¾	Graham	5,000	.02	.02	.02	.02
1	1.25	.50	Granada	15,204	1.10	1.12	1.00	1.02
1	.22	.06	Grozelle	......	.06	.....	.....	.....
1	.02¾	.01	Harker	3,000	.01½	.02	.02	.02
1	.01¾	.00¾	Hilltop	33,000	.01¾	.01½	.01	.01½
5	5.80	4.25	Hollinger	6,830	5.50	5.75	5.50	5.55
1	.64	.26	Howey Gold	58,200	.55	.64	.55	.61
No	3.95	.92	Hudson Bay	9,763	2.75	3.95	2.75	3.90
No	.20	.13	Huronian	......	.13	.....	.....	.....
No	11.75	4.00	Int. Nickel	138,161	10.00	11.75	9.87	11.25
1	.01½	.00½	Jackson Manion	......	.00½	.....	.....	.....
1	.25	.20	Keeley	......	.20	.....	.....	.....
1	.02¾	.00½	Keora Mines	1,000	.01	.01	.01	.01
1	.70	.40	Kirk. Hud. Bay	2,000	.60	.55	.55	.55
1	.02½	.00½	Kirk. Hunton	5,000	.00¾	.00¾	.00¾	.00¾
1	.55	.19	Kirkland Lake	14,450	.36	.37	.35	.35
1	.03½	.00½	Kirkland Premier	21,500	.02	.02½	.02	.02
1	.13	.05	Kirk. Townsite	2,400	.10	.09½	.09	.09
20c	.01½	.00½	Koot. Florence	16,500	.01½	.01½	.01	.01
1	.01½	.00¾	La Rose	......	.01½	.....	.....	.....
1	.41	.14	Lakeland	......	.25	.....	.....	.....
1	30.25	24.90	Lake Shore	4,280	29.00	29.50	28.50	28.75
1	.00½	.00½	Laval	......	.00½	.....	.....	.....
1	.07	.01½	Lebel Oro	......	.02½	.....	.....	.....
1	.41	.13	Macassa	67,750	.24¾	.25	.21	.22
1	.07	.02½	Malartic	6,200	.04½	.04½	.04	.04
1	.01½	.00¾	Malrobic	53,000	.01	.01½	.01	.01½
No	.08	.02	Mandy	500	.04	.08	.08	.08
No	.01½	.00¾	Manitoba Basin	3,500	.01	.01½	.01	.01
5	21.35	14.70	McIntyre	2,020	18.75	18.75	18.25	18.75
1	.35	.25	McKinley	......	.35	.....	.....	.....
No	.09½	.02½	McLeod River	95,400	.04½	.05	.04¾	.04½
No	1.60	.58	Mining Corp.	5,225	1.67	1.69	1.59	1.62
1	.08½	.01½	Moffatt Hall	116,900	.03	.03½	.02½	.03½
1	.02¾	.02	Moneta	......	.02	.....	.....	.....
1	.45	.19½	Moss	133,250	.34½	.38	.33	.38
1	.02½	.00¾	Murphy	500	.01½	.01½	.01½	.01½
No	.03	.01	Newbec	4,000	.02½	.02½	.02½	.02½
5	1.39	.50	Nipissing	4,945	1.28	1.39	1.20	1.25
No	22.25	12.50	Noranda	88,386	19.50	22.25	19.70	21.45
No	.25	.10	Nor. Canada	2,300	.24	.25	.22	.22½
No	.01	.0½	Old Colony	......	.00¾	.....	.....	.....
1	.08	.05	Osisko	......	.07	.....	.....	.....
1	.16½	.07	Parkhill	100	.14	.12	.12	.12
1	.13½	.11	Patricia Dent	......	.13	.....	.....	.....
1	.02	.01	Pawnee Kirk.	......	.01	.....	.....	.....
No	1.15	.35	Pend Oreille	3,900	.65	.85	.70	.85
1	.01½	.00½	Peterson Cobalt	......	.01	.....	.....	.....
1	4.25	3.00	Pioneer Gold B.C.	4,800	4.02	4.25	4.00	4.05
1	.00¾	.00½	Porcupine Crown	......	.00¾	.....	.....	.....
1	.02	.00¾	Potter Doal	2,000	.00¾	.00¾	.00¾	.00¾
.	.12	.12	Powell Rouyn	......	.12	.....	.....	.....
1	.75	.32	Premier Gold	3,450	.62	.68	.62	.68
1	.00¾	.00½	Preston E. Dome	......	.00½	.....	.....	.....
No	.30	.15	Prospectors Air's	......	.18	.....	.....	.....
No	1.00	1.00	Quebec Pros.	......	1.00	.....	.....	.....
No	.10	.03	Quemont	500	.09	.08½	.08½	.08½
1	.02½	.00½	Ribago	8,000	.00¾	.01	.01	.01
1	.02½	.01	Ritchie	5,000	.01½	.02	.01½	.02
1	.01½	.00½	Robb Montbray	5,500	.01	.01½	.01½	.01½
1	.55	.25	San Antonio	30,332	.52	.55	.52	.55
1	.09	.07½	Seven Troughs	......	.07½	.....	.....	.....
1	.65	.18	Sherritt Gordon	138,220	.35½	.52	.36	.48
1	1.00	.50	Siscoe	171,470	.91	1.00	.79	.83
1	.03	.00½	South Keora	......	.02	.....	.....	.....
No	.02½	.00½	Stadacona	21,800	.02½	.02½	.02	.02
1	.17	.05	St. Anthony	2,000	.07½	.08	.07	.08
No.	.60	.16	Sudbury Basin	6,900	.45	.52½	.45	.52½
1	.01½	.00¾	Sudbury Contact	......	.00¾	.....	.....	.....
1	.01	.00¾	Sudbury Mines	......	.00¾	.....	.....	.....
1	.22	.07	Sullivan	42,450	.20	.22	.15	.15

Par Val.	Range 1932 High	Range 1932 Low	Company	Sales	Close Aug. 22 (or last)	High for week	Low for week	Close Aug. 29
1	.84½	.39	Sylvanite	66,620	.74½	.84½	.74½	.78
1	.07	.01	Tashota	79,500	.03¾	.03½	.01½	.02½
1	5.25	3.10	Teck Hughes	64,523	3.78	3.95	3.10	3.30
1	.05	.02	Thom Cadillac	13,800	.04	.05	.04	.05
1	.40	.10	Towagmac	1,200	.21	.28	.25	.28
1	3.00	1.01	Treadwell	......	2.50	.....	.....	.....
1	.09½	.02	United Kirkland	......	.05	.....	.....	.....
1	.06½	.00½	Vacuum Gas	48,400	.05	.06½	.04	.06½
No	.80	.16	Ventures	139,010	.61	.80	.60	.76
1	.17½	.04	Vickers	11,550	.13	.17½	.13	.17½
1	.45	.20	Vipond	3,108	.29	.30	.29	.30
No	1.00	.25	Waite Ackerman	500	.50	.50	.50	.50
1	.07	.01	White Lake	1,000	.03	.04	.04	.04
1	.01	.01	Wiltsey Coughlan	......	.01	.....	.....	.....
.	.10	.04½	Wood Kirkland	15,500	.07½	.10	.08	.10
No	3.06	2.09	Wright-Hargreaves	11,620	2.94	2.95	2.80	2.80
			OIL STOCKS					
No	.19	.07½	Acme Gas & Oil	26,000	.13½	.15½	.14	.14½
1	1.17	.60	Ajax	3,185	.80	.80	.76	.80
1	.17	.04½	Alta. Pacific	1,100	.09	.17	.10	.17
1	.03½	.02	Askalta	......	.03½	.....	.....	.....
No	.10	.02½	Associated	4,350	.05	.07	.05	.05
No	.05	.01	Baltac	......	.05	.....	.....	.....
.	.05½	.00½	Benton	......	.00¾	.....	.....	.....
1	.06	.02½	Brit. Dominion	......	.03½	.....	.....	.....
No	.38	.14	Calgary & Ed.	......	.29	.....	.....	.....
1	.09	.04	Calmont	......	.05	.....	.....	.....
1	.11	.03	Common Pete.	600	.05½	.05½	.05½	.05½
No	.20	.06½	Dalhousie	......	.14	.....	.....	.....
No	.01	.01	Devenish	......	.01	.....	.....	.....
No	.02	.00¾	Dome Oil	......	.00¾	.....	.....	.....
No	.12½	.04	East Crest	1,000	.10	.10	.10	.10
No	.01½	.01¼	Fabyan Pete	......	.01¼	.....	.....	.....
No	.10	.06	Foothills	......	.06	.....	.....	.....
No	.03½	.02	Freehold	......	.02	.....	.....	.....
1	.02	.00½	Great West	......	.00½	.....	.....	.....
No	.06½	.03	Hargal	......	.03	.....	.....	.....
No	.05	.02	High Sarcee	......	.02	.....	.....	.....
No	.47	.15	Home	2,050	.30	.37	.30	.37
No	.05	.01½	Homestead	......	.01½	.....	.....	.....
1	.50	.09	Homest'd O. & G.	32,900	.24	.25½	.21	.21
1	.01	.00¾	Illinois Alberta	......	.00¾	.....	.....	.....
No	.02½	.00¾	Lethbridge	......	.00¾	.....	.....	.....
No	.10	.04	Lowery	500	.04	.10	.10	.10
No	.02	.00¾	Madison	......	.00¾	.....	.....	.....
1	.15	.05½	Mayland	100	.07	.20	.20	.20
No	.04	.01¼	McD. Segur Ex.	......	.01¼	.....	.....	.....
1	.04½	.01	McD. Segur N.	......	.01	.....	.....	.....
1	.50	.18	McLeod	......	.18	.....	.....	.....
No	.10½	.06½	Mercury	......	.07½	.....	.....	.....
No	.20½	.04½	Merland	8,400	.16	.20½	.16	.20
No	.15	.08½	Mill City Pete	......	.08½	.....	.....	.....
1	.20	.12½	Model	......	.13	.....	.....	.....
1	.05	.04	Monalta	......	.05	.....	.....	.....
1	.07	.03	Moose Mountain	......	.03	.....	.....	.....
1	.01	.01	New Federal	......	.01	.....	.....	.....
5	.14	.01	Nordon	14,732	.06½	.09½	.06	.08½
No	.05½	.02	Oil Selection	12,100	.04	.04½	.04	.04
No	.05	.02½	Okalta	......	.03	.....	.....	.....
100	15.00	15.00	Do., Pref.	......	15.00	.....	.....	.....
No	.32	.09	Olga Gas & Oil	17,800	.19½	.18½	.17	.18½
No	.07	.02	Penn. Pete	107,570	.05½	.07	.05	.06¾
No	20.00	20.00	Perfection Pete., Pfd.	......	20.00	.....	.....	.....
1	.28	.12	Petrol Oil & Gas.	500	.16	.15	.15	.15
No	.14	.08	Ranchmen's	......	.09	.....	.....	.....
1	.01	.00¾	Regent	......	.00¾	.....	.....	.....
No	.02½	.01	Richfield	......	.01	.....	.....	.....
No	8.00	3.95	Royalite	470	6.25	8.00	6.50	8.00
1	.29½	.05	Sarnia Oil	2,800	.21	.23	.20	.23
1	.03	.01	Signal Hill	......	.01	.....	.....	.....
1	.20	.10	Spooner	......	.10	.....	.....	.....
No	.12	.05½	Sterling Pacific	600	.07	.12	.10	.12
1	.11	.07½	Turner Valley	......	.07½	.....	.....	.....
No	.08	.03	United	......	.03	.....	.....	.....
1	.09½	.03	Vulcan	......	.03	.....	.....	.....
No	.02	.00½	Wainwell	......	.00½	.....	.....	.....
			VANCOUVER STOCK EXCHANGE (Transaction for week to August 23)					
25c	.00¾	.00½	Bayview	......	.00¾	.....	.....	.....
20c	.05¾	.03½	Beaver Silver	13,500	.04½	.04½	.03½	.03½
25c	.04	.01	Bluebird	......	.03	.....	.....	.....
1	.12	.04	Bridge River Cons.	3,800	.07½	.09	.07½	.07½
25c	.01½	.01	Cork Province	500	.01½	.01	.01	.01
1	.13	.02	Cotton Belt	......	.02	.....	.....	.....
.	.01½	.01½	Dalhousie Mines	......	.01½	.....	.....	.....
1	.50	.15	George Copper	200	.50	.50	.40	.40
50c	.02	.01	Geo. Enterprise	......	.01	.....	.....	.....
1	.05	.02	Georgia River	41,200	.02¾	.02¾	.02	.02¾
1	.25	.10	Golconda	......	.25	.....	.....	.....
50c	.08	.02	Grandview	1,150	.04	.04½	.03	.04½
1	.01	.00¾	Independence	......	.00¾	.....	.....	.....
1	.01½	.01	Indian Mines	4,145	.01½	.01	.01	.01
1	.12	.09	Inter. Coal	......	.10	.....	.....	.....
1	.21	.21	Jack Waite	......	.21	.....	.....	.....
25c	.00¾	.00½	Kootenay King	......	.00¾	.....	.....	.....
1	.19½	.07½	Lorne Gold	4,100	.08½	.09	.08½	.08½
10c	.02	.01	Lucky Jim	......	.02	.....	.....	.....
5c	.12	.04	Metaline Metals	......	.05	.....	.....	.....
1	.03	.00½	Morton Woolsey	2,500	.02	.01½	.01½	.01½
50c	.03½	.00½	National Silver	6,000	.02½	.02½	.02½	.02½
50c	.08½	.02	Noble Five	15,100	.04½	.04	.03½	.03½
50c	.01	.00½	Oregon Copper	......	.00½	.....	.....	.....
1	4.11	3.00	Pioneer Gold	2,375	3.90	4.10	3.80	4.00
50c	.08½	.02	Porter Idaho	......	.06	.....	.....	.....
No	.01	.00½	Premier Border	17,000	.01	.00½	.00½	.00½
No	.28	.07½	Reeves McDonald	......	.20	.....	.....	.....
1	.52	.21½	Reno Gold	52,450	.43	.50½	.45	.50
.	.02½	.02½	Rufus Argenta	......	.02½	.....	.....	.....
1	.05	.02½	Ruth Hope	......	.05	.....	.....	.....
1	.05	.02½	Silverado	......	.05	.....	.....	.....
25c	.02½	.01	Silver Crest	13,000	.01½	.01½	.01½	.01½
50c	.02½	.00½	Snowflake	2,000	.01½	.01½	.01½	.01½
20c	.02½	.01	Wellington	......	.01½	.....	.....	.....
1	.06½	.00½	Whitewater	......	.06	.....	.....	.....
No	.00¾	.00½	Woodbine	28,000	.00½	.00½	.00½	.00½

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	3c.	....	Petrol Oil	1c.	....
Coniaurum	3c.	....	Premier	12c.	17.64
Dome Mines	$1+20c.	9.87	Pioneer, B.C.	12.	2.96
Hollinger	65c.	11.71	Royalite	50c.	....
Howe Sound	40c.	....	Siscoe	4c.	....
Lake Shore	$2+50c.	8.69	Sylvanite	4+4c.	5.76
McIntyre	$1.50	8.00	Teck Hughes	60c.	18.18
McLeod Oils	5c.	....	Wright-Har.	10c.	3.57
Noranda	50c.	2.33			

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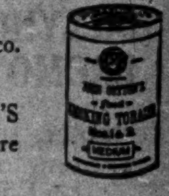
TOBACCOS
"Scotland's Best"



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1 ounce tin, 25c 2 ounce tin, 50c 4 ounce tin, $1.00

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1016 Beaver Hall Hill - Montreal

Weekly Bank Clearings

Eastern Cities

	Aug. 27, 1931	Aug. 25, 1932
Halifax	$ 2,503,237	$ 1,621,508
Saint John	1,960,956	1,510,017
Moncton	628,229	570,727
Sherbrooke	595,093	556,479
Quebec	4,954,746	3,365,521
Kingston	485,178	493,884
Peterboro	614,346	479,719
Toronto	80,846,279	67,094,123
Hamilton	3,558,697	3,096,165
Kitchener	723,504	728,447
London	2,155,773	1,959,736
Chatham	362,274	312,982
Sudbury	654,146	444,801
Ottawa	4,185,451	3,688,066
Brantford	764,604	644,029
Montreal	80,480,086	64,646,331
Sarnia	545,023	378,329

Western Cities

	Aug. 27, 1931	Aug. 25, 1932
Fort William	$ 581,358	$ 494,396
Winnipeg	35,772,330	40,725,397
Brandon	307,610	308,251
Regina	2,707,121	2,606,233
Moose Jaw	564,381	443,287
Saskatoon	1,438,293	....
Prince Albert	300,403	217,846
Edmonton	3,429,702	3,579,744
Calgary	4,283,173	4,664,675
Medicine Hat	211,414	160,455
Lethbridge	348,271	294,883
New Westminster	482,336	413,446
Vancouver	14,180,092	10,949,657
Victoria	1,512,048	1,160,903

CANADA PERMANENT MORTGAGE CORPORATION

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT for the current quarter, being at the rate of

TWELVE PER CENT PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

SATURDAY, THE FIRST DAY OF OCTOBER

next, to Shareholders of record at the close of business on the Fifteenth day of September, 1932.

By order of the Board.
WALTER F. WATKINS, Secretary.
Toronto, August 17th, 1932.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
61 Years in Business
Capital $2,000,000—Reserve Fund $3,200,000.
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
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JOHN G. RICHTER, *President.* T. H. MAIN, *Manager.*

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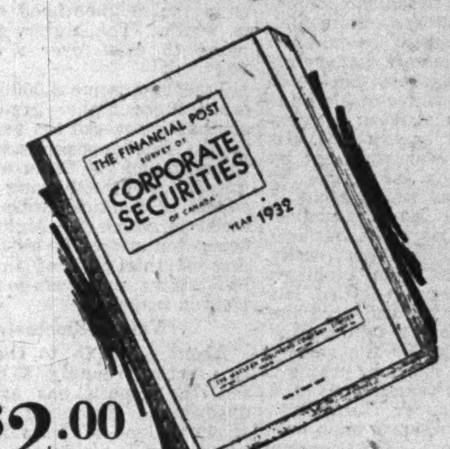

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SURVEY OF CORPORATE SECURITIES 1932

What This Book Will Give You

1. Details of 1931 earnings of Canadian companies in which public has investment.
2. The background of each company—history of organization and development — names of officers and directors.
3. Details of all bond and stock issues.
4. Funds in which bond interest is payable.
5. Dividend rate and when payable.
6. Details of capital reorganizations.
7. Balance sheets and earnings statements for 1931, 1930 and 1929.
8. Price range of stocks for 1931, 1930 and 1929.

Many changes have taken place in the structure of Canadian companies in the past year. Difficult conditions have influenced operations and earnings. Reorganizations have been numerous. The new edition of The Financial Post Survey of Corporate Securities contains details of all such changes. It is essential that the investor secure this new edition if he is to know the present position of the companies in which he is interested.

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Canadian Mining News

GREAT BEAR LAKE BALLYHOO IS RIFE PROMOTERS BUSY

Promoters Inspire Feature Writers to Aid Their Efforts

FIELD HAS PROMISE

Unscrupulous Exploiters Capitalize on Effort of Pioneers to Lure Public Funds

With literally hundreds of small syndicates being formed to exploit the silver and radium ore potentialities of the Great Bear Lake area it is not to be unexpected that a flood of ballyhoo and propaganda, much of it inspired, should be unleashed to spur the loosening of the public purse strings that these efforts may be financed.

Special writers who have never been nearer the area than where their imagination took them are splitting infinitives, and churning up highly colored word pictures of the most lurid nature in an evident effort to excite the public about this new mining area. Fortunately the stuff is such obvious ballyhoo, written at the dictation of promoters pushing shares in their syndicates, that even the most gullible could hardly mistake it for the straight forward news of actual earnest mining activities. Its transparency in many cases is thin, in other articles it carries with that veiled innuendo that almost defies resistance to strike at the shimmering spinner of the promoter-angler.

Possibilities Yet To Be Proven

Whatever are the possibilities of Great Bear Lake they cannot be appraised at the present time. On the earlier finds, the only ones to have any worth while work done, there is encouraging indications of silver and evidence of radium ore not heretofore found on this continent. What the economic value of the silver will be and how successfully radium can be extracted from this ore and marketed in competition with the Belgium monopoly, has yet to be demonstrated.

Eldorado Gold Mines, which found and has pioneered interest in this new district took good care to protect its discoveries by staking adjacent favorable territory. Other early stakers in the field such as Consolidated Smelters, Ventures Ltd. and Northern Aerial Minerals Exploration, likewise had first chance at the most favorable territory. These companies have adequate funds and are not attempting to finance. As is always the case in a new camp the camp followers and parasites of mining capitalize the efforts of the pioneers and the successful companies in order to lure the public into their enterprises.

It is not to be inferred that there are not genuine exploration parties in the field, parties of experienced prospectors that are making an earnest attempt to make a find in the hopes that it will develop into importance. These parties must be financed and naturally enough while they may have been financed in the early stages by private capital they cannot carry on indefinitely without raising funds. To well directed efforts of this kind, those who are interested and can afford to speculate in the hopes of the big rewards, there is a distinct appeal. If nobody financed the prospector there would be but few mines.

Press Has Duty

The attitude of The Financial Post is that the press should not lend its columns to the unscrupulous promoters who have no real interest in mining and thereby divert funds of widows and orphans and others who can ill afford to lose, into channels that give little or no chance for the investor. Many of the syndicates and companies now promoting on the strength of Great Bear Lake would display infinite care, if a strike of importance was made, to see that the benefit would accrue to the sponsors and not the rank and file who put up the money.

While it is essential that any new mining district that shows importance should have the right kind of publicity there is no occasion to herald its potentialities beyond what the finds show or the geological indications promise. Leading mining companies with experienced staffs are ever on the lookout for new mines. These companies have the money as well as the facilities and are the logical organizations to most economically explore for and investigate mining prospects. Furthermore the general public are assured of participation in any worthwhile finds through stock participation in the parent company.

Mining men of standing recognize that ballyhoo never did mining any good. It only facilitates the unscrupulous promoter and diverts funds that would otherwise be available for well directed legitimate exploration effort, which is the only effort that has been successful in making mines in the past.

Alberta Mines Shows Value '31 Production $23,970,783

In the annual report of the Mines Branch of the Province of Alberta, covering the calendar year ended Dec. 31, 1931, the output of the metal mines in the province was represented by 195 ounces of gold and 29 ounces of silver, having a total value of $4,040. Total mineral production of the province amounted to $23,970,783 as compared with $30,447,742 in 1930. Coal, as in previous years, formed the principal item in the mineral production with a value of $13,339,860 as compared with $18,063,225 in 1930. Natural gas showed only a slight decline in 1930 over previous year with a production valued at $4,384,694. Petroleum showed a slight increase in quantity with 1,408,058 barrels valued at $4,025,000 as compared with $4,780,696 in 1930.

The report which gives a very complete analysis of the source and character of the coal mines in the province is available gratis upon application to Minister of Mines, Edmonton.

Mining Personages in Canada

JOHN CARROLL NICHOLLS, B.S.
Mining engineer; assistant to the president, International Nickel Co. of Canada.

Reticence of J. C. Nicholls Obscures His Achievements

Production Head of International Nickel Co. Shuns the Limelight But His Record Reveals Outstanding Ability

In mining, as in other industries, one frequently witnesses some vast enterprise and marvels at the magnitude of its operations and the efficiency of its production organization, but usually the genius behind the production programme, is shielded from the public and is little known beyond his immediate circle connected with the industry. At the International Nickel Co. at Copper Cliff, Ontario, during the past seven years, a huge expansion programme has been completed, which makes it rank as one of the foremost mining enterprises in Canada if not one of the leading ones of the world. A peep behind the scenes reveals J. C. Nicholls, formerly general manager, now assistant to Robert C. Stanley, president of the enterprise. To him goes a large share of the credit for the working out of the production details at Copper Cliff, which produces ninety per cent of the world's nickel, is Canada's largest copper producer and one of the world's leading sources of metals of the platinum group.

Mr. Nicholls is another contribution which the United States has made to the furthering of the development of Canada's mineral resources. He was born in California 53 years ago and after graduating from the University of California as a mining engineer, his field of endeavor—as is the case with so many leading mining engineers—carried him to the four points of the compass. From 1902 to 1908 we find him with the Oriental Consolidated Mining Co. of Korea, one of the leading gold producers in that country. In the six years that he was with this organization his ability was recognized by his elevation from an assayer to the superintendency. In 1908 and 1909 he was in the Transvaal, South Africa, at the New Modderfontein Gold Mining Co. It is 21 years since he came to Canada—first as an engineer with the Dome Mines. In 1912 he joined the present organization which the past 20 years has benefitted from his accumulated knowledge and ability. One of his early and outstanding contributions to the enterprise was the establishing of modern mining methods and rehabilitating the ore production facilities. Here his quiet congenial manner and powers of organization were effective in welding a turbulent group into a smooth and efficient production unit.

His progress with the organization has been rewarded successively with his elevation from engineer to superintendent of mines, general superintendent, assistant general manager, general manager and last year he was appointed assistant to the president, which carries with it responsibilities for the entire production end of the enterprise.

At All Times Composed

To those whose conception of a mining man is a broad-shouldered, raw-boned, outspoken individual, wearing high-topped boots, Mr. Nicholls must be a sore disappointment. The mild, quiet way in which he conducts the affairs of his huge organization is a striking contrast with what might be expected. His present position was won, not by brusque commands, but rather by the quiet, studious working out of problems as they were presented. Lurking behind his quiet, reticent manner, is a positive personality that displays itself when problems of importance are to be settled. His congenial manner has endeared him to his associates and is to a marked extent responsible for the smooth organization over which he presides.

For the past 20 years he has been a resident of Copper Cliff, Ont., the site of the company's main production activities. This spring Toronto became his home, when his executive duties dictated that he could best direct the affairs of the company from a more central point.

Moss Reports Ore Averages $9.95 Per Ton

An interim report by Moss Gold Mines shows that from the commencement of production operations in March this year to July 31, the ore milled amounted to 10,026 tons having an average value of $9.95. The returns by the mint for the bullion shipped during this period amounted to $75,658 showing an average recovery of approximately $7.50 per ton. In addition the exchange compensation amounted to $10,290. The tailings loss amounted to approximately 53 cents per ton.

These figures indicate a balance of $18,770 to be accounted for by the value of the pulp and solution circuit in the mill and absorption that normally takes place in the starting of a new plant.

Norman R. Fisher, president of the company, commented in part on the company's activities as follows:

"The average value of the ore being mined will improve gradually as stoping progresses and the physical condition of the country walls of the vein systems becomes better understood so that undue dilution can be prevented. In opening up a new mine it takes time to determine and develop the best procedure for extracting its ore at the lowest cost consistent with a minimum of dilution.

"Stoping operations have so far revealed the veins to be very similar in character and extent between the levels to what was disclosed in drifting on the levels. In fact, their condition has, in geenral, proved to be so satisfactory that it has been decided to broaden the underground operations sufficiently to permit of an increase of the supply of ore to the mill to around 150 tons per day.

"In order that this can be done and a more intensive development programme carried on concurrently, additional compressor capacity is being provided which will double the company's past drilling facilities. One of two compressors being added for the purpose is already in operation and the other will also be in service within the next few days."

Four New Gold Mills Are Started in August

August promises to be the banner month of the year, for no less than four new gold properties have or will inaugurate production. In Quebec the O'Brien-Cadillac property started its new 100-ton daily capacity mill. Further to the east but on the same mineralized belt the Treadwell Yukon started its new 100-ton mill.

In Ontario the Ashley Gold Mining Corp. started operations with a 150-ton mill but plans only immediately treating 75 tons daily. In Kirkland Lake district Toburn Gold Mines has finished the rehabilitation of the old Tough-Oakes-Burnside mill and has inaugurated production. A significant point in the starting of these four new gold mills is that each is sponsored by a well-established and well-known mining company, enterprises that have operated mills in various parts of Canada at a profit and are now entering new fields, that their mining enterprises might be perpetuated.

Vacuum Gas Seeks To Increase Capital

Shareholders of Vacuum Gas & Oil Company are notified of a special general meeting to be held Sept. 6, to increase the authorized capitalization to 2,000,000 shares of no par value. At the present time the authorized capitalization is $1,000,000 in $1 par value shares of which 985,714 are outstanding.

Shareholders will also be asked to consider an agreement between the company and E. P. Rowe, its secretary-treasurer, whereby the company purchases oil and gas leases covering 2,972 acres in the townships, Dereham, Lambeth, Nelson and Oxford, in southwestern Ontario. Another agreement is to be submitted covering the sale of a block of 600,000 treasury shares.

DENYES GOLD FIND SPURRING ACTIVITY OVER GREAT AREAS

McIntyre Reported to Have Staked East of Dyment Claims

The spectacular gold find in Denyes township, 135 miles to the southwest of Sudbury, announced two weeks ago in The Financial Post, takes on new importance as further work is done. The find was made by a prospector named Beaumont, working for the Dyment Mining & Investments Ltd., a private company organized by a Toronto group. Beaumont was in the area last fall and returned this spring and made his find in July. Since that time a small group has been engaged in doing further surface work. Plans are being made for enlarging the party that surface work may be speeded.

All told, 27 claims were staked by Beaumont east and west, 2¼ miles along the sheer zone, which runs in an easterly-westerly direction across the company's holdings. The vein occurs in a schisted area, which in some places is 700 ft. wide. At one place the vein is 20 ft. in width, showing free gold across the entire width.

Since the find was made many prominent mining companies have visited the property, among which is reported Dr. P. L. H. Forbes, president of Teck-Hughes. McIntyre-Porcupine Mines has had its field engineer in the area and has staked claims immediately east of the Dyment holdings. East of McIntyre the Buchanan group has staked claims.

It is about a year since the Kenty Brothers made a strike in Swayze township, just east of Denyes. This property is under development by the Brett Trethewey Mines and is fast assuming importance. The Kenty find has stimulated interest in the district, it heretofore being regarded as geologically unfavorable for prospecting.

Reports from the area state that the district is alive with prospectors. The Ontario Department of Mines has had one of its geologists, H. G. Rickaby, in this section all summer and it is expected that upon his return this fall news will be available as to the geology of this new area and of its possible importance.

GALATEA EXTENDS KNOWN ORE ZONE WITH RECENT WORK

Long Lengths of Ore Comparable With Beattie Opened

Another discovery of free gold has been made on the Galatea Gold Mines Synd. property in the Duparquet gold area, Quebec. This latest discovery is regarded as the most important so far made on the property. Twenty samples of high-grade have been sent out to the head office of the syndicate, at New Liskeard.

The shearing in which this higher grade discovery was made is in the neighborhood of 100 ft. in width. The higher grade appears to exist over a width of 10 ft.

Trenching some 4,000 ft. to the east of the higher grade discovery has uncovered the vein at that point. The deposit here appears to be around 100 ft. in width with the full width showing material which is identical with the material in which the high grade is being found to the west. Sampling of this part of the deposit has shown an average of $5.60 per ton in gold.

Values Fluctuate

About 1,500 ft. to the east of the section running $5.60 to the ton, the deposit has again been uncovered. Sampling here has shown values of from $3 to $12 per ton, while picked samples show a considerable amount of visible gold. The shearing at this point is about 80 ft. in width.

With high-grade gold ore showing at both ends of the 5,500 ft. in length above referred to and with careful sampling having shown the values above referred to, it is evident that the Galatea represents one of the more interesting gold mining operations in northwestern Quebec.

Finances are being provided for the sale of treasury stock accordingly as the operations are being carried forward and the management intends launching an extensive campaign of diamond drilling in the near future — as soon as a further small amount of surface work can be completed.

LEROY GOLD MINES ELECTS NEW BOARD

Bankruptcy Proceedings Being Stayed Pending Re-financing

At a meeting of shareholders of Leroy Gold Mines held in Montreal on Aug. 25, opposing factions came to amicable understanding and a new board of directors was elected headed by H. Lefebvre as president. The meeting was called in an effort to retrieve the company from bankruptcy proceedings filed when its financing scheme fell flat.

Early this year arrangements were entered into by then existing directors and one Melkman who undertook to purchase 1,550,000 treasury shares at a total cost of $557,000 and to make payments monthly. After meeting his April and May obligations of $5,000 each he paid but $2,500 on the $10,000 due June 1, 1932. In July the then directors admitted bankruptcy a couple of days after proceedings were filed. It was then that a shareholders' protective committee was formed, headed by the present president, who was successful in having proceedings stayed while an effort is being made to pay off the creditors.

The present company was formed last December to take over the assets of LeRoy Mines, in consideration of 900,000 shares in the new company.

The company's principal property is in Louvicourt township, Quebec, where an active development programme has been in progress. A shaft has been sunk and encouraging results have been optained that indicated it as one of the more important finds in the area, but operations are now at a standstill on account of the company's financial position.

Sullivan Mines Share Activity, Draws Caution

When shares of the Sullivan Gold Mines reached a new high level of 22 cents a share last week, a statement was forthcoming from Thayer Lindsley, president of the Sullivan Consolidated Gold Mines which acquired the Sullivan Mines property early this year, to the effect that development at the property did not warrant any such price, and it should be clearly understood that purchases were a pure gamble.

In commenting on the developments at the property Mr. Lindsley reviewed operations as follows:

"Unwatering of the shaft and working has been completed. The north heading on 'A' vein has been advanced 20 feet and the south heading on 'A' vein has been advanced 30 feet. The average of muck samples to date is $10 per ton. The breast of the south heading shows some narrow seams of quartz in the face with values low, and the breast of the north heading shows two feet of well mineralized quartz. A very heavy flow of water has been encountered in the north heading."

MERLAND OIL HAS $19,947 EARNINGS LAST FISCAL YEAR

First Years of Production Pays Off Mortgage; Future Uncertain

The fourth annual report of Merland Oil Co. of Canada covering the year ended April 30, 1932, reflects the first production income by the company. Total revenue from production was $137,013 while the net income was $49,562, which, after depreciation and development reserves of $29,615, left a net operating profit of $19,947. The balance sheet of the company reflected the income from production and the excess of current liabilities over current assets shown on April 30, 1931, was converted into a working capital of $752. That is during the past fiscal year the $50,000 mortgage against the company's property was reduced to $15,100 as at April 30, 1932, and has since that time been completely paid off. Overhead expenses were at a minimum, amounting to $208.

The company has one well in production that blew in on May 16, 1931, from a depth of about 5,550 feet on the company's Turner Valley property. Total crude naphtha and discolored crude naphtha produced from that time to the end of April, 1932, was 44,999 barrels or an average of approximately 128 barrels daily.

Under the terms of the drilling agreement with the Northwest Co., a subsidiary of Imperial Oil, one-half of the net income from the company's wells accrues in consideration of that company doing the drilling. Royalty of one-eighth of the market production accrues to the Calgary & Edmonton Corp.

Manning W. Doherty, president of the company, made reference in the annual report to the excellent conditions of the wells and the fact that all of the equipment was paid for and emphasized that future earnings would in a large measure depend on the policy ultimately adopted by the gas conservation of Alberta in curtailing the output from the Turner Valley wells.

The following is the income account:

INCOME AND SURPLUS ACCOUNT
Year Ended April 30

	1932
	$
Revenue:	
Sale of crude naphtha	86,999
Sale of discol. naphtha	48,021
Naphtha on hand	1,663
Gas consumed in oper.	330
	137,013
Expenditures:	
Royalties, etc.	62,086
Oper. exps., No. 1 well	20,899
Lease rentals	49
Int. on mortgage	2,309
Taxes, fees, office exp., etc.	2,108
Net income	49,562
Less appropriations:	
Depreciation	2,623
Devel. & organ. exp. w/o	26,992
Surplus forward†	19,947
Earnings per share*	$0.02

†Subject to provision for Dominion income tax.
*Based on surplus as shown.

Kirkland Hudson Bay Deep Work Proceeding

Work is progressing at the property of Kirkland Hudson Bay Gold Mines with the intention of exploring the lower levels of the property from the adjoining Lake Shore Mines.

Last December crosscutting from the 2,700 ft. level of Lake Shore was carried about 500 ft. in the Kirkland Hudson property cutting two promising veins.

Finances of the company are reported in good shape. On Dec. 31, 1931, the company had current assets of $84,356 while current liabilities were but $280. At that time 2,159,843 shares were outstanding out of the 3,000,000, $1 par value shares authorized.

Quadra Island Radium Find Inspected By Geologist

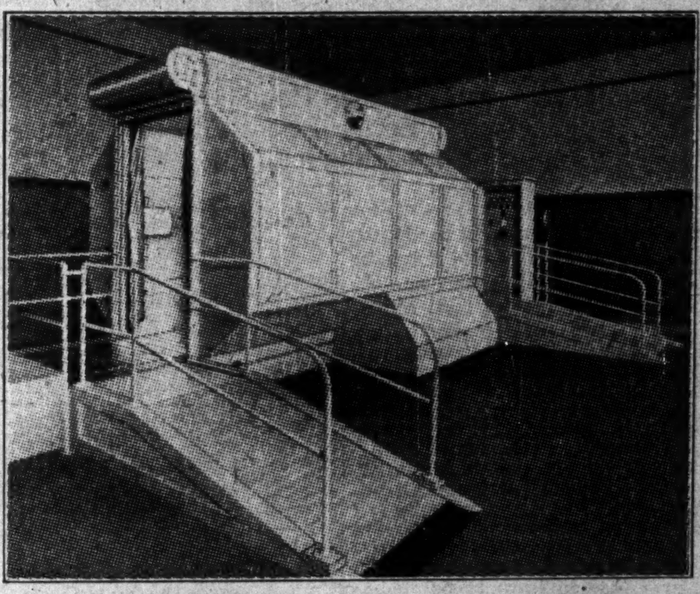
Stimulated by the finds of radioactive ore in the Great Bear Lake area and in Ontario, the radium ore indications on Quadra Island is being investigated and is creating increasing interest around Vancouver. Prof. W. F. Seyer, of the University of British Columbia, has just concluded a general reconnaissance over about 100 acres of the island which lies 100 miles north of Vancouver. Despite adverse atmospheric conditions Dr. Seyer by means of an electroscope, which reacts only to the gamma ray of radio-active materials, obtained some very strong readings over an area 1,500 ft. long from 50 to 100 ft. in width. Last May about 200 pounds of carnotite, an ore of radium, was secured from a couple of small fissures. It was from the carnotite ores that Colorado produced substantial quantities of radium a few years ago, before the entry of the high grade deposits of Belgium Congo into the market.

Private interests in Vancouver are behind the Quadra Island showings, and are obtaining development work, but no public financing is anticipated.

Metal Prices

New York—August 30—
Copper: Electrolytic spot, 5¼c. lb.
London—August 30—
(Long Ton)—
Copper: Electrolytic spot, £37; future, £37 10s.
Standard spot, £36 2s; future, £35 17s 6d.
Tin: Spot, £149 12s 6d; future, £150 15s.
Lead: Spot, £13 5s; future, £13 5s.
Zinc: Spot, £14 17s 6d; future, £15 2s 6d.
Silver: 18 9-16d. per ounce.

Conveyor Type Solarium at McIntyre Mines



In the brief space of 55 seconds the therapeutic equivalent of a day's exposure to summer sunlight is made in the quartz ultra-violet "sun room" installed in the new change house at McIntyre Porcupine Mines. This mass treatment machine has a capacity of about 250 miners per hour. It is regulated as to light intensity by means of a variable speed conveyor. Any degree of exposure desired may be obtained. Already this and the affiliated equipment in McIntyre's new change house has reduced lost time by 50 per cent.

McINTYRE MINERS ARE TREATED DAILY IN NEW SOLARIUM

Progressive Company Takes Steps to Safeguard Mine Workers

Just how important a part modern scientific equipment is playing in safeguarding the health of miners is being demonstrated by a new quartz ultra-violet solarium at the new centralized plant of McIntyre-Porcupine Mines in the heart of the Porcupine gold area. As would be expected at this new plant, which is commonly regarded as the finest equipped gold mine in the world, nothing has been overlooked to promote the health and efficiency of the men who moil and toil for gold hundreds of feet below the surface.

Last fall, when the company completed its centralized programme, one of the most important adjuncts to the new plant was a new change and dry house, equipped with a system of shower baths that might well be the envy of a well-appointed golf or country club. One of the most important pieces of equipment in this new change house and incidentally the first equipment of its kind installed in Canada, is an automatic quartz lamp solarium, designed for the mass treatment of the mine workers. This "sun-room" is about 8 ft. wide by 20 ft. long and is featured by an endless conveyor running its entire length. This sun room is equipped with six mercury quartz lamps that give in the brief period of 55 seconds the therapeutic equivalent of a full day's exposure to summer sunlight. The conveyor is variable as to speed, but at the normal rate of 55 seconds exposure, it has a capacity of from 200 to 250 men per hour. This solarium is so equipped with reflectors that the entire body is uniformly exposed to the beneficial ultra-violet rays, the eyes alone being protected by colored goggles.

Treats 800 Men Daily

Approximately 800 men are employed at the McIntyre property and the layout of the dry house is so designed that in coming from their underground work they are not brought to the mouth of the shaft but about 30 ft. from the surface enter a tunnel connecting with the dry house, where their working clothes are deposited. Then starts the procession through the system of showers and the solarium into the locker room where they don their street clothes.

How important a new change house, shower bath and solarium is to the men's health is told by the lost time which has been reduced to 50 per cent of that previously prevailing. Mine officials state that last year there was not one case of influenza that required hospital treatment, and an impartial canvas of the individual men revealed a striking similarity of enthusiasm for the ultra-violet treatment. They report that they not only sleep better, feel better but their general improvement in health is reflected in their day's labors.

Silicosis, a disease among mining men which is getting greater attention from officials, promises to benefit in a substantial way by the new ultra-violet treatment and modern bath house facilities.

The solarium equipment is made by the Burdick Corp. and was installed by the Burke Electric & X-Ray Co., of Toronto. The installation involved an expenditure of around $10,000 but the benefits already in evidence convince McIntyre officials that the expenditure was well worth while.

In order that the school children of the district may not be deprived of the health-giving rays of their fathers, approximately 100 children each week are extended the privilege of taking a sun bath, the results of which have had a marked effect in the reduction of minor ailments, principally common colds.

Sterling Pacific Oil Co. Declares Initial Dividend

Sterling Pacific Oil Co. has declared a dividend of 2½ cents per share on its 924,903 shares outstanding, according to advice from Vancouver. The annual report of the company covering the fiscal year ended Feb. 28, 1932, shows a net profit of $7,477.

The company has two producing wells in the Turner Valley field. Early this year one of the largest gassers in the valley blew in from the most southerly operations in the area. Total production for 1931 was 13,428 barrels of discolored crude naphtha.

Due to the curtailment programme in effect and the consequent restriction of production and earnings it is not clearly understood why it is advisable to pay a dividend at the present time.

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'LANTIC KEYSTONE IS BEING BLAMED FOR FALSE REPORT

Former Treasurer Claims Circular Letter Contains Discrepancies

The Financial Post is in receipt of a circular by Franklin Flick & Co. of New York purporting to contain accurate information regarding the affairs of Atlantic Keystone Petroleum Co. and offering and soliciting subscriptions on a pre-listing basis. The circular has an air of authenticity about it, by reproducing a letter dated February 17, 1932, from Frank L. Buckley, vice-president and managing director of Atlantic Keystone. The statement set forth as to the assets of the company has drawn fire from George P. Hale, formerly acting secretary-treasurer of the company.

Explains Position

In a letter to The Financial Post Mr. Hale says he was prompted to resign early this year when he learned his name was attached to a similar circular being circulated by Flick & Co. In a letter to The Financial Post Mr. Hale quotes in part as follows:

"There are many discrepancies in both of these circulars, having particular reference to the status of the title of the property in Canada, also in the United States. At the time I left the company's employ in January the leases in Alberta had been in arrears for some very considerable time, in fact none of them were in good standing, and I have good reason to believe that up to the moment they have not been reinstated, for the reason that the company has not had the funds with which to make reinstatement. Attention is also called to the status of the property in Wyoming which I understand has never at any time been vested in the company. This same applies to the 31 mile pipe line extending from Boulton Creek field through the Spindle Top structure to railhead at Casper, Wyoming. The company at one time held an option on this pipe line but it is my understanding that they never exercised their rights of purchase. The Wyoming properties are those acquired from Tea Pot Dome Oils Ltd., which I understand have not yet been transferred to Atlantic Keystone Petroleum."

Atlantic Keystone Petroleum Co. Ltd. was incorporated under a Dominion charter in March, 1930, and has attracted attention by the apparent magnitude of its consolidations of minor companies including the former parent company, Atlantic Keystone Petroleum Co. Inc. In a circular, showing a letter from the president of Atlantic Keystone Petroleum Co. dated October 21, 1931, George A. Touche & Co. were listed as auditors and reference is made to their audit with conservatively appraised assets exceeding $9,539,000. Upon appearance of the second circular by Flick & Co. showing a letter of February 17, 1932, signed by the vice-president of Atlantic Keystone, the assets were shown at $12,000,000. In the interval between these dates the outstanding capitalization had increased from 2,207,114 shares to 2,507,114 shares. A letter from an official of Atlantic Keystone Petroleum dated August 9, 1932, from Los Angeles, says the company is not selling any shares of its stock anywhere, although the circular by Flick distinctly makes a pre-listing offering and the letter propounding the company's activities and signed by Frank L. Buckley, vice-president of Atlantic Keystone gives the circular an official air.

It is understood that upon the first circular coming to the attention of Touche & Co. they demanded that their name be deleted and that the prospectus be withdrawn from circulation, threatening legal action if this were not done at once.

On previous occasions The Financial Post has called attention to the company's activities in Canada, which to date have consisted principally of stock selling on the strength of their Western Canada leases. The names of five Canadians appeared on the circular first put out by Flick, but the latter circular carries only the name of F. A. Sproule, of Ottawa, as a director.

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Mining Corp. to Blast Another Hole into Mine

The success met with early last May by Mining Corp. of Canada when it blasted a hole in the bottom of Cobalt Lake and let the tailings deposited there drain into the lower working of the mine, thereby uncovering rich silver veins on the shore of the lake, is to be repeated in a few days at another section of the lake.

The blast last May was an experiment that exceeded fondest expectations. The apparently hard packed tailings flowed like molasses leaving a great gaping hole adjacent to the outlet that has been responsible for the recovering of thousands of ounces of high-grade silver ore, which heretofore has been inacessable.

AUGUST CONTRACTS SHOW SLIGHT GAIN

Total Only Half That of August, 1931, However

Construction contracts awarded throughout Canada in August amounted to $12,688,500, less than half the total of August, 1931, but slightly more than the June or July figures of this year, according to MacLean Building Reports, Ltd.

The greatest value of contracts awarded during the month appears in the engineering group, which accounted for 38.6 per cent of all construction and was valued at $4,899,000. Business buildings had $3,092,800 worth or 24.4 per cent, industrial had $2,397,500 or 18.9 per cent and residential had 18.1 per cent or $2,299,200.

Quebec is the leading province in August with 54.1 per cent of the total or $6,857,800, largely made up of a contract for an oil refinery at Montreal East valued at $2,000,000 and a pressure main at Montreal valued at $1,073,100. Ontario accounted for 26.5 per cent with $3,360,200. The Maritimes shared to the extent of $961,300 or 7.6 per cent, while the Prairie Provinces show 6.5 per cent or $826,200 and British Columbia, 5.3 per cent or $679,000.

For the year to date, 38 per cent of all contracts are credited to Quebec Province, 37.6 per cent to Ontario, 11 per cent to the Prairie Provinces, 7.6 per cent to the Maritimes and 5.8 per cent to British Columbia. The total value of contracts awarded during the year to date is $99,989,800 compared with $217,134,900 for the first

Reward Mining Contracts For Further Development

Advice from Vancouver states that the Reward Mining Co. has acquired property in the Barkerville area formerly owned by Colonel C. J. Seymour Baker and has contracted for a 1,000 ft. tunnel to be driven into the mountainside.

This old property, from which fair average assays have been received, has an interesting history. It is one of three which was equipped by government grant in 1886. In that year, to encourage gold mining, the government appropriated $60,000 for three quartz mills. One of them was placed on this property.

About 1,500 ft. of tunnelling was done and some ore was treated, but it did not turn out to be a strictly free-milling proposition, so much of the gold value was lost. However, some 13 tunnels of varying lengths were run in the ore body from near the level of Jack of Clubs Lake to about the 90 ft. level.

The work the new owners have started is designed to extend the lower tunnel, which under the old operation was 125 ft. long, so as to bring it under another tunnel and from that point to raise to the surface, thus opening the mine.

Port Royal Pulp & Paper Renovating Fairville Plant

From Our Own Correspondent

MONTREAL.—Port Royal Pulp and Paper Co. are rehabilitating the Union Point pulp and paper mills at Fairville, formerly operated by the Nashwaak Pulp and Paper Co., and when the plant is completed a high production capacity of 125 tons per month of high grade bleached sulphite is expected to be reached.

Operations at the mills are expected to commence in the latter half of September, and 100 men will be employed. The company expects to export the bulk of its product to the United States, particularly to New England and the middle West.

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